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COMPILATION

OF

AUDIT RULINGS



Issued by Authority of the Auditor General in India

CALCUTTA
GOVERNMENT OF INDIA PRESS
1929

PREFACE.

The changes in rules, consequent on the Reforms, have rendered obsolete a large number of the rulings incorporated in the volumes of Audit Decisions and Audit Rulings. The present compilation brings together most of the audit rulings of the Auditor General in India issued between 1912 and 1926, the principles of which can be applied in audit at the present time.

2. The most important change in this connection has been the substitution, in a large measure, of the Fundamental Rules for the Civil Service Regulations. The latter remain in force—

(a) for the pensions and gratuities of all Government servants in civil employ,

(b) for the civilian personnel of the Army, and

(c) for those Government servants in civil employ who elected to remain under them.

3. Thus the most important and difficult question has been to decide how far the rulings issued before the promulgation of the Fundamental Rules, which were based on the Civil Service Regulations, should be retained.

4. The following principles have been followed in selecting the cases for retention:—

(1) Those cases have been retained in which the decision would be the same under the pension rules in the Civil Service Regulations, under the Fundamental Rules or the new Audit Resolutions

(2) Cases have been retained which explain and interpret important general principles even though the sanctioning authority may now be different from the authority competent to accord sanction at the time of the decision

(3) Other cases interpreting the Civil Service Regulations have been omitted

5 The cases included under the first principle have been shown under that Fundamental Rule or rule in the present Audit Resolution which would now be applicable

6 *In pursuance of principle (2) numerous rulings have been* retained in the section "Unusual expenditure" because they interpret the 4th Canon of Financial Propriety, though the authority competent to accord sanction is in most cases different now from what it was when the decisions were given Similarly, under the "One scheme rule" the rulings have been retained because of their importance as interpreting the 5th Canon of Financial Propriety, it being clearly understood, that their retention does not imply that the authority who would be competent to accord sanction if the question were raised to-day, would be the same as in the decisions which have been reproduced.

7. As a result of the acceptance of the third principle, audit authorities, who still have to apply the Civil Service Regulations, should continue to use the original volumes of audit rulings and not this compilation, as many of the rulings contained in the former, but omitted from the latter, relate to the interpretation of the Civil Service Regulations and are thus still valid so far as they are concerned.

8. The arrangement of rulings in the Compilation has followed, in the main, the arrangement adopted in the Audit Instructions. As in the Audit Instructions, under each section the rulings have been arranged in the order of the substantive rules to which they relate and under each rule in the order in which the rulings were given.

9. A complete index has been added to the volume to secure facility of reference.

M. F. GAUNTLETT,
Auditor General in India.

NEW DELHI;
The 27th April 1927.

EXPLANATIONS OF ABBREVIATIONS.

A. D . . .	Audit Decision.
A. R.	Audit Ruling.
A. R I	Army Regulations, India.
C. A C	Civil Account Code
C S R.	Civil Service Regulations
F R	Fundamental Rules.
G I Act . . .	Government of India Act.
G. I, F. D.	Government of India, Finance Department
M A R	Main Audit Resolution
M E S.	Military Engineering Service
N A R .	New Audit Resolution.
P and A. R .	Pay and Allowance Regulations
P. W. A Code	Public Works Account Code
P W. D Code . .	Public Works Department Code
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TABLE OF CONTENTS.

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Delete the column "Reference to Serial Number of Rulings" in the able of Contents.

(Compilation of Audit Rulings No. 19, dated 2nd December 1929.)

Compilation of Audit Rulings.

[NOTE.—For purposes of reference the Volume of the Audit Rulings or Audit Decisions in which each ruling was previously included is quoted against each.]

SECTION I.—AUDIT RULINGS RELATING TO THE GOVERNMENT OF INDIA ACT.

(1)

G. I. Act, Section 30.—The Government of India is competent to alienate Crown property by exchanging Government premises for private premises at full value.

Terms of Reference.—The Government of India have decided to exchange the Custom House premises in Calcutta with the premises of the Imperial Bank of India, the Bank having agreed to pay to the Government of India the difference between the value of the two properties. The question referred for decision is whether the exchange, which involves an alienation of Crown property, requires the sanction of the Secretary of State in Council.

Auditor General's decision.—The sanction of the Secretary of State in Council is not necessary.

(A. R. Vol. XIII—3) (Files No. 201-A. of 1924 and No. 66-Code of 1927.)

(2)

G. I. Act, Section 44.—(1) The sanction of the Secretary of State is necessary, not only to the commencement of hostilities, but to the use of troops which might lead to hostilities.

(2) The Government of India is competent to remit a fine imposed by itself on an Indian State, even though the remission may have the effect of throwing some military expenditure on Indian revenues.

Terms of Reference.—The question for decision is that of the adjustment of the cost, both Civil and Military, of what is known as the Mangal Expedition of 1908, and incidentally of the necessity for obtaining the sanction of the Secretary of State to the charge which is now proposed to be debited to the Government of India estimates. The Mangals, an independent tribe of Brahuis, have a sardar at their head who is nominally, at any rate, regarded as one of the three advisers of His Highness the Khan of Kelat in the administration of his State. In 1907,————Khan, the head of the senior branch of the Mangal tribe, who had once been tried as the chief of the tribe and proved a failure, was re-instated in accordance with the award of a special *jirga* held at Sibi. In the

ture was incurred and when events appear to show that the Khan was in the right while the Government of India were in the wrong.

The first question for consideration is, whether the charges can be admitted in audit against the Revenues of India without the sanction of the Secretary of State The statutory provisions referring to the commencement of hostilities by the Army in India are contained in sections 54 and 55 of the Government of India Act of 1858 and in sections 42 and 43 of the East India Company's Act of 1793. It may be noted incidentally that these sections are not at present included in the Audit Resolution. It seems essential that they should be included Section 42 of the East India Company's Act states that no hostilities should be commenced in India without the sanction of the Secretary of State, and when hostilities are commenced under the exceptional circumstances specified in that section, the matter should be reported to the Secretary of State as expeditiously as possible In the case of this Mangal expedition, hostilities were not apparently actually commenced, but the use of troops might easily have led to hostilities, and as such, the sanction of the Secretary of State was necessary under clause III (1) (*c*) of the Audit Resolution for the expenditure on the expedition which was originally brought to account in 1908-09. But to ask for that sanction now, four years after the expenditure was incurred would be a mere formality, and moreover the Secretary of State was kept informed of the facts through the weekly letters of the Foreign Department. It must not, however, be understood that audit can accept the mere mention of facts in an informal correspondence as a sufficient compliance with orders which require that the sanction of the Secretary of State must be obtained.

Since the expenditure was incurred, the Government of India have ordered the Khan of Kelat to pay the cost of the expedition which was practically a fine, and have now decided to waive that fine, thus throwing on Government, expenditure which, they are of opinion, ought to have been borne by the Khan. Considering the circumstances under which the fine is to be waived, it is doubtful whether the debit to Government is not of an unusual nature under clause III (1) (*a*) of the Audit Resolution, specially when it is remembered that the Secretary of State has shown from the orders contained in his despatch No. 4-Revenue, dated 17th January 1913, regarding the expenditure incurred by the Resident at Aden for the conveyance of *pilgrims that he intends to interpret that phrase strictly But I have decided not to take this view. I argue on the broad lines that the authority which can impose a fine can also remove it, and I can find no order of the Secretary of State in the Audit Resolution, limiting the powers of the Government of India to levy a fine on a Native Chief. Nor should I expect to find in the Audit Resolution such an order, if one be in existence, for such an

* *See* Section III-A, Ruling No. 6.

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following year it was found that————Khan was incompetent to undertake the management of the tribal affairs, and it was decided to put the Chiefship back into the hands of the head of the junior branch, Haji———— The Khan of Kelat approved of this apparently. But when steps were about to be taken to instal Haji———— to the leadership, opposition was offered by————Khan's faction, which was encouraged by the Khan of Kelat himself. These troubles led to the despatch of troops to the Mangal territories, one force known as the————column being sent from *Quetta, and* another known as the————column from Karachi. ———— Khan was deposed and Haji————set up in his place. The cost of the expedition amounted to Rs. 97,054-4-2, distributed as follows.—

	Rs.	A.	P.
Civil	27,591	8	5
Military	69,462	11	9

Comptroller General's decision.—The Government of India in *their letter No. 1531-E.B., dated 20th July 1910, to the address of* the Controller of Military Accounts, Western Circle, directed that the whole of the Military expenditure should be recovered from the Khan of Kelat It appears, however, from Colonel————'s note dated 30th November 1912, that out of the total of Rs. 69,462-11-9, a sum of Rs. 64,762-0-8 was brought to account in the Army Accounts in that year and was subsequently adjusted in those accounts as receipts *per contra* debit to the Comptroller, India Treasuries, in whose books it is still outstanding under the head "Account Current with Indian States" pending recovery from the Khan of Kelat. The balance of Rs 4,700-11-1 has not yet been disbursed and is not likely to be spent at all As regards the Civil expenditure of Rs. 27,591-8-5, it appears from telegram No 1151-P., dated 12th October 1912, from the Agent to the Governor General in Baluchistan to the Government of India, Foreign Department, that the sum in question was spent out of an advance of Rs. 45,000 taken from the Khan of Kelat, the unexpended balance being still left in deposit. It appears from Government of India, Foreign Department, letter No. 1943-E.B., dated 16th October 1911, that it was originally decided to recover the Civil portion of the cost of the Expedition from the Khan of Kelat.

The recoveries thus ordered have, however, been postponed for a long time owing to various reasons, and circumstances have now entirely changed, and it has been found necessary to re-instate..... . Khan as Sardar of the Mangal tribe once again. It is now proposed that the recoveries originally ordered should be waived, (1) as it would be inequitable to make the Khan of Kelat pay the cost of an expedition to depose————Khan against His Highness's real wishes, and (2) as it would appear to His Highness doubly inequitable that the demand should be made four years after the expendi-

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* *See* Section III-A, Ruling No. 6.

action would be in the exercise of an administrative and not of a financial power.

I do not consider that the sanction of the Secretary of State need now be obtained, and there is, therefore, no objection to the necessary adjustments being effected at once.

(A. D. II—8.) (Files No. 49-A. & A. of 1913 and No. 51-Code of 1927.)

(3)

G. I. Act, Section 85.—Concessions in travelling allowance to members of Executive Council other than those sanctioned by the Secretary of State in Council, are irregular.

Terms of Reference.—A Local Government proposed to issue an order that an Hon'ble Member of the Executive Council or an Hon'ble Minister might draw daily allowance at the rate of Rs. 10 for a halt on tour, in addition to the privileges granted by Article 1147, Civil Service Regulations, and if for any journey by rail, road or steamer he chose to forego those privileges he might draw for that journey the same travelling allowance as an officer of the first grade The question referred for decision is whether the proposals require the sanction of the Secretary of State.

Auditor General's decision.—The grant of Rs. 10 a day in addition to the concessions permissible under Article 1147, Civil Service Regulations, requires the sanction of the Secretary of State and as the Local Government also desire to grant concessions alternative to those permissible under Article 1147, Civil Service Regulations, which have received his sanction, the opportunity should be taken to obtain his sanction to these alternative concessions even though in form they may appear to be less remunerative

(A. R Vol. XII—15.) (Files No 314 of 1923 and No. 65-Code of 1927.)

(4)

G. I. Act, Section 85.—A person continues to be "in the service of the Crown in India" during a short interval between resignation of one office and assumption of another, and is not entitled to equipment allowance for the latter office.

Terms of Reference.—The Hon'ble Sir—————— a member of the Executive Council of a Governor was appointed a Member of the Governor General's Executive Council. He resigned the former office to take up the latter and there was an interval of a few days between his resigning the former office and taking charge of the latter. Rule V (*b*) of the rules relating to the grant of equipment and voyage allowance to the Governor General of India, and to other high officers, provides for the grant of an equipment allowance of £200 to a Member of the Executive Council of the Governor General of India who is resident in India or Ceylon at the time of appointment, but who is not in the service of the

Crown The question referred for decision is whether, for the purpose of the above rule, Sir————————can be considered as not in the service of the Crown in India at the time of his appointment as a Member of the Governor General's Executive Council and granted equipment allowance under that rule; or whether the sanction of the Secretary of State is necessary for the grant of the allowance, and if so, whether a reference to that authority can be waived

Auditor General's decision.—I consider the sanction of the Secretary of State to be necessary, as I find it impossible to hold that the Hon'ble Sir————————was not "in the service of the Crown in India" at the time of his appointment.

2 I am not prepared to dispense with a reference to the Secretary of State It seems to me that a breach of something more than the letter of the rules is involved by the proposal.

(A R Vol XIII—9) (Files No 167-A. of 1925 and No. 66-Code of 1927.)

(5)

G. I. Act, Section 85 (*3*).—Expenditure on the maintenance of the garden attached to His Excellency the Commander-in-Chief's *residence in Delhi requires the sanction of the Secretary of State.*

Terms of Reference.—The point for decision is, whether any expenditure incurred for he maintenance of the garden attached to His Excellency the Commander-in-Chief's residence at Delhi may be charged to the State without the sanction of the Secretary of State

Comptroller General's decision.—The maintenance of a garden attached to an occupied house is outside the ordinary work of administration and therefore requires the sanction of the Secretary of State unless such sanction has already been obtained. Article 917 (*iii*), Public Works Department Code, 9th Edition, states that the State does not undertake to maintain gardens attached to Government residential buildings other than those occupied by His Excellency the Viceroy and Heads of Local Governments and Administrations This contains no reference to the Commander-in-Chief, and therefore no sanction of the Secretary of State has been given.

It is argued that the Commander-in-Chief was promised that he should be given his residence at Delhi under the same conditions as he received it in Calcutta, and that the Commander-in-Chief met no charge on account of the gardens [illegible]
ly is true and it will be a matter [illegible]
Public Works Department Code, [illegible]
to the case. The fact that an a[illegible]
the past does not obviate the nec[illegible]
The conditions under which the [illegible]
Treasury Gate quarters in Calcutta were sanctioned by the Secretary of State in his despatch No. 153-Military, dated 11th Decem-

ber 1903. There is no reference in that despatch to the maintenance of a garden by the State.

Further, the salary of the Commander-in-Chief is fixed by clause 35 of the Government of India Act of 1853. Under this clause the salary of the Commander-in-Chief is to be one lakh of rupees per annum in lieu of all other pay and allowances. It is also laid down in that clause that the salary is subject to the provisions and regulations regarding salaries laid down in the Government of India Act of 1833, and clause 76 of that Act contains a provision that the salaries shall be the whole profit or advantage the said officers shall enjoy during their continuance in such offices. The expenditure from State funds on the garden attached to the Commander-in-Chief's residence will constitute an indirect addition to His Excellency's advantages.

Pages 5 and 6, Section I, Ruling (5)—

Insert the following at the end of this ruling :—

[In paragraph 3 of the Secretary of State's despatch, No. 46-Public, dated the 7th July 1927, it has been ruled that existing practices or proposals, which result in relieving high officials of some or all of the financial cost of living in the residences provided for them which would fall upon them were they private individuals, should be regarded as matters falling within the ambit of the ordinary financial rules They [illegible] or the [illegible] Any [illegible] se, be challenged in audit.]

(Compilation of Audit Rulings, No. 4, dated 1st October 1929.)

vantage (*i.e.*, Exchange Compensation Allowance) by officers mentioned in the Second Schedule of the Government of India Act, is *ultra vires* of the Act, in the absence of a specific sanction of the Secretary of State in Council, notwithstanding a general sanction in an authorised code.

Terms of Reference.—One of the officers mentioned in the Second Schedule of the Government of India Act was drawing Exchange Compensation Allowance on the authority of Appendix BB of the Civil Account Code, 7th Edition, which is based upon the general order in Government of India, Finance Department Resolution No. 2422-Ex., dated the 31st May 1897. The Auditor General was asked whether in view of the proviso to section 85 of the Government of India Act, Exchange Compensation Allowance would be withdrawn by the Government of India from the officer in question.

. *Auditor General's decision.*—The general order referred to above cannot be held to be within the meaning of the proviso to section 85, a sanction of the Secretary of State in Council to the drawal by the officers mentioned in the Second Schedule of the Government of India

Act, of Exchange Compensation Allowance for such a sanction to be operative under this proviso, should be specific and not general. To permit the officer to draw Exchange Compensation Allowance under that rule was, and would therefore be, *ultra vires* of the Act.

(A. R Vol XI—2) (Files No 167-A. of 1922 and No. 64-Code of 1927)

(7)

G. I. Act, Section 85 (*3*) —Sanction of the Secretary of State is necessary for the arbitrary fixation of charges payable by a *Governor for new electric installation in one of his residences.*

Terms of Reference.—A Local Government proposed to provide an electric installation in one of the residences of the Governor, at a cost within its own power of sanction and suggested that the consolidated charge, inclusive of the cost of current to be paid by the Governor for this installation and for the existing installation in another Government House, for which he pays such charges amounting to Rs. 750 annually, might be fixed at Rs. 1,200 per annum with effect from the date when the proposed installation was brought ... consideration is whether

Page 7, Ruling (7)—

Insert the following at the end of this ruling:—

[See the Secretary of State's ruling in his despatch, No. 46-Public, dated the 7th July 1927, printed at the end of ruling (5). In the same despatch the Secretary of State stated that " a decision to supply the Head of a Province with electric current for consumption in his official residences below cost price would not necessarily constitute the grant to him of " profit or advantage' within the meaning of the sub-section ".]

(Compilation of Audit Rulings, No. 6, dated 1st October 1929.)

G. I. Act, Section 101 (*2*) (*i*) —The creation of an additional temporary Judgeship in a High Court from the date of its constitution is within the statutory power of the Government of India, even though the Secretary of State may have fixed the total number of Judges of the Court.

Terms of Reference.—The Secretary of State has sanctioned the proposal of the Governme[...] ...hief Court into a High Court wi[...] if Letters Patent can be issued [...] ...cally decided that the strength of the new High Court should consist of one permanent Chief Justice and six permanent Puisne Judges, and the personnel has also been approved by His Majesty the King Emperor. The existing strength of the Chief Court consists of one Chief Justice, four permanent Judges and four temporary additional Judges. Two of the temporary appointments will be merged into the permanent strength of the new High Court, and the term of the other two appointments will expire on the 31st March 1919. One of the two last-mentioned appointments is that of the

Inspecting Judge, which was for some years past sanctioned for a few months every cold weather to enable arrangements being made *for the inspection of the subordinate courts.* The other temporary appointment is that of the Liquidation Judge, whose duty was to deal with the liquidation proceedings of two important banks in the Punjab It is now proposed to create an additional temporary appointment of High Court Judge for one year from such date as the High Court is constituted It is argued that the proposal requires the sanction of the Secretary of State, as in the Government of India despatch in connection with the creation of the new High Court and the establishment required for it, no reference was made to the additional temporary appointment. The question for decision is whether this view is correct and whether the sanction of the Secretary of State is required to the proposal.

Comptroller General's decision.—The power of the Government of India to create a temporary appointment in a High Court has a direct statutory basis [*vide* section 101 (2) (i) of the Government of India Act (1915)] and the Government of India does not require the sanction of the Secretary of State before it can exercise such power.

A R Vol VII—26) (Files No 176-A & A. of 1919 and No. 60-Code of 1927)

(9)

G. I Act, Section 101 (2) (i) —The Government of India are not competent to continue the temporary appointment of an Additional Judge of a High Court beyond two years, by treating the extension as a fresh temporary appointment

Terms of Reference.—A temporary appointment of an additional Judgeship in a High Court was made for the period from 11th November 1921 to 31st March 1922 by the Governor General in Council, under section 101 (2) (i) of the Government of India Act which empowers him to appoint persons to act as additional Judges for a period not exceeding two years. It was subsequently extended for one year terminating on 31st March 1923. The Governor General in Council then issued an order sanctioning the continuance of the post for a further period of one year from 1st April 1923 The question for consideration is whether the sanction to the retention of the appointment up to 31st March 1924, extending the total period of the appointment beyond two years, is within the powers of the Governor General in Council.

It is urged that section 32 (*1*) of the Interpretation Act read with section 101 (2) (*i*) of the Government of India Act enables the Governor General in Council to appoint a person A. as additional Judge of a High Court B. for two years ending on 31st March 1922, and then to issue another order appointing A. as additional Judge of the same High Court for another two years and so on *ad infinitum.*

It is also argued that all powers of appointment of additional High Court Judges not conferred on the Governor General in Coun-

cil under section 101 (2) (i) of the Government of India Act vest in the Secretary of State in Council, when the Secretary of State in Council exercises these powers such exercise results in expenditure on a Provincial Reserved subject and the Governor General in Council is empowered to act in certain cases on his behalf under Rule II (2) of the Rules in Government of India, Finance Department Resolution No *802-E.A., dated the 4th April 1921.*

Auditor General's decision.—Section 32 (*1*) of the Interpretation Act explains that "the power may be exercised.........from time to time as occasion requires unless the contrary intention appears".

If the argument mentioned in paragraph 2 is accepted the Governor General in Council can appoint A. for ever as an additional Judge of the High Court B. provided the Governor General in Council issues an order every two years. This interpretation therefore nullifies the limitation on the duration of the appointment expressly imposed by section 101 (2) (i) of the Government of India Act as the latter limits to two years the duration of an order passed under it An intention appears in the section contrary to the view that the power may be exercised in the way described above. Section 32 (1) of the Interpretation Act therefore does not give the Governor General in Council the powers claimed.

Neither is the argument mentioned in paragraph 3 convincing as section 101 of the Government of India Act is the substantive rule in the matter This and no other is the rule relevant to a determination of the authority which may appoint an additional High Court Judge.

The sanction of the Secretary of State is therefore necessary to the extension of the tenure of the appointment beyond two years, i e, from the 11th November 1923.

(A R. Vol. XI-7.) (Files No 311-A of 1922 and No 64-Code of 1927)

SECTION II (*a*)—AUDIT RULINGS RELATING TO NEW AUDIT RESOLUTION (CENTRAL).

(1)

N. A. R., Rule 1 (*1*) & Canon, (5) of Financial Propriety.—A temporary circle which will, later on, almost certainly require an additional Superintending Engineer should be sanctioned by the Secretary of State.

Terms of Reference.—In his despatch No. 140-Rev., dated the 9th October 1914, the Secretary of State sanctioned a third post of Superintending Engineer for the Central Provinces which was to be held by the Sanitary Engineer. Owing to the war, there is not sufficient work for the Sanitary Engineer and the post is therefore now in abeyance. It is proposed to create a temporary appointment of Superintending Engineer for two years and to redistribute the work of the Buildings and Roads Branch and that of the Sanitary Engineer between the three Superintending Engineers. The Local Administration also state that it will almost certainly be necessary to make the post of the third Superintending Engineer a permanent one The question for decision is whether the proposal requires the sanction of the Secretary of State

Comptroller General's decision.—It is apparent from the Chief Commissioner's letter that the present proposal will eventually mean the creation of an extra appointment of Superintending Engineer, and, if no reference is now made to the Secretary of State, his hands will be practically tied In the circumstances, I am of opinion that Rule III (1) (*c*) of the Audit Resolution applies and that the sanction of the Secretary of State should be obtained to the proposal.

(A R Vol VI—14) (Files No 535-A & A of 1917 and No. 59-Code of 1927)

(2)

N. A. R., Rule 1 (*1*).—Sanction of the Secretary of State was necessary for raising the maximum limit of pay for the Assistant Resident in Travancore and Cochin.

Terms of Reference.—In his despatch No 51-Political, dated the 8th May 1918, the Secretary of State sanctioned the drawal by an Assistant Collector, appointed to the post of Assistant Resident in Travancore and Cochin, of the salary to which he would be entitled if he were in the regular line "*subject to a limit of the pay of a* permanent Head Assistant Collector, *viz.*, Rs. 768⅓ a month". In 1910, in connection with the reconstitution of the districts and divisions and the regrading of the various services in the Madras Presidency, the posts of Head Assistant Collector on pay Rs. 768⅓ were

converted, with the sanction of the Secretary of State, into Sub-Collectors, 2nd and 3rd grades, on pay Rs. 900 and Rs. 700 respectively, but the limit of Rs. 768⅓, fixed for the post of Assistant Resident in Travancore and Cochin, was not specifically altered. It is now proposed that the maximum limit of pay of Assistant Resident in Travancore and Cochin should be raised to Rs. 900 and the question for consideration is whether the proposal is within the competence of the Government of India.

Comptroller General's decision.—The permanent enhancement of the maximum limit imposed by the Secretary of State will require his sanction

(A. R Vol VII—31) (Files No 95-A & A. of 1919 and No. 60-Code of 1927.)

(3)

N. A. R., Rule 1 (*1*)—The transfer of a Superintendent of Police from Railway to District Administration involves redistribution of appointments within the cadre which should be sanctioned by the Government of India and reported to the Secretary of State.

Terms of Reference.—The sanctioned cadre of the superior Police Force in the Punjab provides for two posts of Superintendent for the Railway Police, the officers holding them being entitled to their grade pay *plus* a duty allowance of Rs. 150 each. The Government of the Punjab considering that there was not sufficient work for two officers of this rank on the Railway Police, and at the same time that the charge of the Lahore District had grown too heavy for one officer, sanctioned the transfer of one of the two Superintendents of Police from Railway to District Administration as an additional Superintendent of Police, Lahore, the allowance of Rs. 150 being held in abeyance. The question for decision is whether the arrangement requires the sanction of the Secretary of State.

Comptroller General's decision.—The correspondence with the Secretary of State never contemplated two Superintendents in one district and thus the proposal is for "the creation of a new perman-
[illegible] ld by a Gazetted Civil
[illegible] technically the sanc-
[illegible] (2) of the Main Audit
Resolution, but I think it will suffice if the action taken is reported to the Secretary of State by Secretary's letter. I see no reason, however, why the Local Government should not have full power to distribute the appointments as they please within the cadre and I suggest that this power be asked for in the letter.

[The Secretary of State held that in future Local Governments should submit for the sanction of the Government of India any such proposal for redistribution of appointments within the cadre, and that the Government of India should report such sanction to

him—vide Government of India, Finance Department, endorsement No 1090-E A., dated the 15th November 1919].

(A R Vol VIII—4) (Files No 201-A. & A. of 1919 and No. 61-Code of 1927.)

(4)

N. A. R., Rule 1 (*1*).—The grant of duty allowances at Rs. 200 and Rs. 100 respectively to the Assistant Inspector General, Railway Police, Punjab and his Assistant by re-arranging the work and re-distributing two existing local allowances of Rs 150 each, requires fresh sanction of the Secretary of State.

Terms of Reference.—In his despatch No. 40-Judl., dated the 20th July 1906, the Secretary of State sanctioned the transfer of the Punjab Railway Police to the administrative control of the Deputy Inspector General, Railway and Crimes, and the grant of a local allowance of Rs. 150 each to the two Superintendents, who would control the work under his direction. Recently, however, the Punjab Government, in revising the arrangement for the control of the Railway Police, sanctioned a reversion to the old system, under which the control at headquarters was to be exercised by one Superintendent of Police, styled Assistant Inspector General, with an assistant (an Assistant Superintendent of Police). It is now proposed by that Government that the Assistant Inspector General and his assistant may be granted duty allowance at Rs. 200 and Rs. 100 a month, respectively, with retrospective effect from the 1st September 1918, by re-distributing the allowances of Rs. 150 attached to the two posts of Superintendents under the orders of the Secretary of State referred to above. The question for consideration is whether the proposal requires the sanction of the Secretary of State.

Comptroller General's decision—Reference to the Secretary of State is required, as the proposed arrangement will be different from that sanctioned by Secretary of State in his despatch No. 40-Judl., dated the 20th July 1906, and also because the duty allowance of a Superintendent is to be raised from Rs. 150 to Rs. 200 a month.—Note I to Rule III (*2*), Main Audit Resolution. In view of the fact, however, that no extra expense will be incurred on the whole, I am prepared to waive a previous reference to that authority, but a report should be sent to him which should explain the whole arrangements.

(A. R. Vol. VIII—37) (Files No. 373-A. & A. of 1919 and No. 61-Code of 1927.)

(5)

N. A. R., Rule 1 (*1*).—The grant of Sind Allowance to a Chaplain in Sind requires the sanction of the Secretary of State.

Terms of Reference.—Reverend————, Senior Chaplain on the Punjab Ecclesiastical Establishment, held charge of the

chaplaincy of——— in Sind from the 24th December 1915 to the 7th July 1916 and from the 4th August 1916 to the 4th April 1920. His present pay is Rs. 1,000 per month. It is proposed to grant him Sind allowance at the rate of Rs. 100 a month for the above periods. The question for consideration is whether the sanction of the Secretary of State is required, in view of the fact that when the allowance was sanctioned by the Secretary of State in 1915, there was no chaplain in Sind on the regular Government Establishment and consequently no allowance was sanctioned for the Ecclesiastical Service.

Auditor General's decision.—The Sind allowance is not the same for all officers. Specific allowances are attached to particular posts. The allowances now sanctioned by the Secretary of State are those set forth in the proposition statement which accompanied the letter of the Bombay Government No. 207 of 1914, dated the 26th January 1914, to the Government of India, Home Department, *plus* the addition made in paragraph 4 of the Government of India, Finance Department, despatch No. 74 of 1915, dated the 26th February 1915.

As these allowances which were sanctioned by the Secretary of State in his despatch No. 90, dated the 14th May 1915, do not include any allowance for chaplains, the sanction of the Secretary of State is necessary to the present proposal.

(A. R. Vol. IX—36.) (Files No. 635-A. & A. of 1920 and No. 62-Code of 1927.)

(6)

N. A. R., Rule 1 (*1*).—The adjustment of an existing special pay to suit a new scale of pay in the case of an All-India service, does not require the sanction of the Secretary of State.

Terms of Reference—Under the sanction of the Secretary of State, accorded in his despatch No. 90-Public, dated the 14th May 1915, Assistant Collectors in Sind were drawing Sind Allowances on the undermentioned scale—

	Rs.
Those drawing Rs. 1,200 and Rs. 900 per mensem .	100 per mensem
Those drawing Rs. 700 and under . . .	50 per mensem.

In view, however, of the time-scale of pay sanctioned for members of the Indian Civil Service in the Government of India, Home Department, Resolution No. 286, dated the 13th February 1920, under which different grades of Assistant Collectors have ceased to exist, it is proposed by the Bombay Government that (1) the Indian Civil Service Officers in the 7th year of service drawing Rs. 750 *plus* Rs. 150 Overseas Allowances and those above them may be given the Sind Allowance at Rs. 100 per mensem, and (2) those below at the rate of Rs. 50 per mensem. The above proposals are based on the fact that "on past averages Indian Civil

Service Officers in Sind used to draw the Sind Allowance at the rate of Rs. 100 per mensem generally from the 7th year of their service" The question for consideration is whether the sanction of the Secretary of State is necessary.

Auditor General's decision.—As the revised scale of pay for the Indian Civil Service has not improved the conditions of living in Sind relatively to other parts of India, the proposal of the Bombay Government is merely to adjust the Sind Allowances to the new scale of pay. I do not think the sanction of the Secretary of State is necessary, but as the Secretary of State sanctioned these allowances the adjustment should be reported to him.

(A. R. Vol. IX—33.) (Files No. 653-A. & A. of 1920 and No 62-Code of 1927.)

(7)

N. A. R., Rule 1 (*1*).—The appointment of an officer not belonging to the Provincial Civil Service as District and Sessions Judge, Bangalore, on a pay sanctioned for the post by the Secretary of State when held by a Provincial Civil Service officer, requires the sanction of the Secretary of State

Terms of Reference.—In Finance Department telegram No. 1626-E. A., dated the 9th August 1920, the Government of India recommended certain changes in the judicial administration in the Civil and Military Station, Bangalore. One of the alterations proposed was that the existing post of District Judge should be abolished and an appointment of District and Sessions Judge with wider jurisdiction should be created in its place. With regard to the pay of the new appointment the Government of India in the above telegram said " ———as District and Sessions Judge will be appointed from Provincial (Civil) Service, Madras, he should draw pay on superior time-scale without overseas allowance (in accordance with your orders regarding pay of Provincial Civil Service officers promoted to a listed appointment in the Indian Civil Service cadre) *plus* judicial allowance ordinarily admissible ". The proposals were sanctioned by the Secretary of State in his telegram dated the 6th October 1920. It is now proposed to appoint Rao Bahadur T.————, who was holding the appointment of District Judge under the old administration and who is not a member of the Provincial Civil Service, to the newly-created post of District and Sessions Judge, and to give him pay on the superior time-scale for the Indian Civil Service *plus* the judicial allowance ordinarily admissible. The question referred to for decision is whether the proposal requires a reference to the Secretary of State.

Auditor General's decision.—In the Government of India telegram of 9th August 1920 the Secretary of State was definitely told that the appointment would be held by Provincial Civil Service officers and on this clear understanding he sanctioned the rate of pay recommended by the Government of India. To allow

this rate of pay to a non-Provincial Civil Service man will require his previous sanction.

(A. R. Vol IX—51) (Files No 781-A & A. of 1920 and No. 62-Code of 1927)

(8)

N. A. R., Rule 1 (*1*).—The creation of an Assistant Secretaryship against the post of Under Secretary held in abeyance does not require a reference to the Secretary of State unless it is likely to affect the cadre of an All-India Service.

Terms of Reference.—In a Department of the Government of India Secretariat it has been decided to hold the post of Under Secretary temporarily in abeyance and to create an Assistant Secretaryship instead The arrangement is likely to continue for more than two years The question for decision is whether a report to the Secretary of State is necessary.

Auditor General's decision.—No report is necessary unless it is likely to affect the cadre of an All-India Service.

(A R Vol X—10) (Files No 294-A & A of 1921 and No. 63-Code of 1927.)

(9)

N. A. R., Rule 1 (*1*) **and Devolution Rules, Schedule III, Rule 1** (*1*).—The conversion of the post of Chief Inspector of Vernacular Education into that of Deputy Director of Public Instructions in a province, is not " the creation of any new or the abolition of an existing post ".

Terms of Reference.—The question for consideration is whether the proposal to convert the post of Chief Inspector of Vernacular Education in the United Provinces into that of the Deputy Director of Public Instructions, requires the previous sanction of the Secretary of State under Rule 1 (*1*) of the Rules contained in Schedule III to the Devolution Rules

Auditor General's decision.—As the cadre of no All-India Service is being affected nor is any financial liability being affected, the sanction of the Secretary of State in Council is not required on financial grounds. Whether it is necessary to obtain his sanction to a change of title is an administrative matter with which I have no concern.

(A. R. Vol X—21.) (Files No. 459-A. & A of 1921 and No. 63-Code of 1927.)

(10)

N. A. R., Rule 1 (*1*) —Transfer from one post to another, of special pay sanctioned by the Secretary of State in Council, is irregular.

Service Officers in Sind used to draw the Sind Allowance at the rate of Rs. 100 per mensem generally from the 7th year of their service." The question for consideration is whether the sanction of the Secretary of State is necessary.

Auditor General's decision.—As the revised scale of pay for the Indian Civil Service has not improved the conditions of living in Sind relatively to other parts of India, the proposal of the Bombay Government is merely to adjust the Sind Allowances to the new scale of pay. I do not think the sanction of the Secretary of State is necessary, but as the Secretary of State sanctioned these allowances the adjustment should be reported to him.

(A. R. Vol IX—33.) (Files No. 653-A. & A of 1920 and No 62-Code of 1927.)

(7)

N. A. R., Rule 1 (*1*).—The appointment of an officer not belonging to the Provincial Civil Service as District and Sessions Judge, Bangalore, on a pay sanctioned for the post by the Secretary of State when held by a Provincial Civil Service officer, requires the sanction of the Secretary of State.

Terms of Reference.—In Finance Department telegram No. 1626-E. A., dated the 9th August 1920, the Government of India recommended certain changes in the judicial administration in the Civil and Military Station, Bangalore. One of the alterations proposed was that the existing post of District Judge should be abolished and an appointment of District and Sessions Judge with wider jurisdiction should be created in its place. With regard to the pay of the new appointment the Government of India in the above telegram said "————as District and Sessions Judge will be appointed from Provincial (Civil) Service, Madras, he should draw pay on superior time-scale without overseas allowance (in accordance with your orders regarding pay of Provincial Civil Service officers promoted to a listed appointment in the Indian Civil Service cadre) *plus* judicial allowance ordinarily admissible ". The proposals were sanctioned by the Secretary of State in his telegram dated the 6th October 1920. It is now proposed to appoint Rao Bahadur T.————, who was holding the appointment of District Judge under the old administration and who is not a member of the Provincial Civil Service, to the newly-created post of District and Sessions Judge, and to give him pay on the superior time-scale for the Indian Civil Service *plus* the judicial allowance ordinarily admissible. The question referred to for decision is whether the proposal requires a reference to the Secretary of State.

Auditor General's decision.—In the Government of India telegram of 9th August 1920 the Secretary of State was definitely told that the appointment would be held by Provincial Civil Service officers and on this clear understanding he sanctioned the rate of pay recommended by the Government of India. To allow

this rate of pay to a non-Provincial Civil Service man will require his previous sanction.

(A. R Vol IX—51) (Files No 781-A & A. of 1920 and No. 62-Code of 1927.)

(8)

N. A. R., Rule 1 (*1*).—The creation of an Assistant Secretaryship against the post of Under Secretary held in abeyance does not require a reference to the Secretary of State unless it is likely to affect the cadre of an All-India Service.

Terms of Reference.—In a Department of the Government of India Secretariat it has been decided to hold the post of Under Secretary temporarily in abeyance and to create an Assistant Secretaryship instead. The arrangement is likely to continue for more than two years. The question for decision is whether a report to the Secretary of State is necessary.

Auditor General's decision.—No report is necessary unless it is likely to affect the cadre of an All-India Service.

(A R Vol X—10) (Files No 294-A & A of 1921 and No. 63-Code of 1927.)

(9)

N. A. R., Rule 1 (*1*) **and Devolution Rules, Schedule III, Rule 1** (*1*).—The conversion of the post of Chief Inspector of Vernacular Education into that of Deputy Director of Public Instructions in a province, is not "the creation of any new or the abolition of an existing post."

Terms of Reference.—The question for consideration is whether the proposal to convert the post of Chief Inspector of Vernacular Education in the United Provinces into that of the Deputy Director of Public Instructions, requires the previous sanction of the Secretary of State under Rule 1 (*1*) of the Rules contained in Schedule III to the Devolution Rules.

Auditor General's decision.—As the cadre of no All-India Service is being affected nor is any financial liability being affected, the sanction of the Secretary of State in Council is not required on financial grounds. Whether it is necessary to obtain his sanction to a change of title is an administrative matter with which I have no concern.

(A. R. Vol X—21.) (Files No 459-A. & A of 1921 and No 63-Code of 1927.)

(10)

N. A. R., Rule 1 (*1*).—Transfer from one post to another, of special pay sanctioned by the Secretary of State in Council, is irregular.

Terms of Reference.—In his despatch No. 156-Public, dated the 26th August 1920, the Secretary of State sanctioned the grant of a duty allowance of Rs 150 per mensem to the Under Secretary to the Government of Bombay, Judicial and Political Department, for performing additional duties as Passport Officer, Bombay. It is now proposed to grant the Deputy Secretary to the Government of Bombay the special pay of Rs. 150 per mensem for doing the passport work in addition to his own duties as a temporary arrangement *for six months. The question for consideration is whether* the sanction of the Secretary of State is necessary, if so, whether the Auditor General is prepared to waive a reference to that authority

Auditor General's decision.—I am prepared to waive a reference as regards the grant for 6 months. But—

(1) it should be clearly stated that this sanction is without prejudice to the consideration of the need for any permanent grant:

(2) any permanent sanction will require the sanction of the Secretary of State.

(A R Vol XII—11) *(Files No 208-A. of 1923 and No. 65-Code of 1927.)*

(11)

N. A. R., Rule 1 (*1*) —Conversion of a Local Allowance into special pay is irregular when the original sanction was not granted on account of unhealthiness of locality.

Terms of Reference.—The Government of India with the approval of the Secretary of State sanctioned in 1912 an allowance of Rs 250 per mensem each to Political Officers and Assistant Political Officers at S.————and B.————, the posts being ordinarily filled by members of All-India Services. The allowance was sanctioned as a "local allowance" by the Secretary of State without any reason being given. The Local Government concerned now propose to treat this allowance as "special pay" under the Fundamental Rules.

The question for consideration is whether the proposal requires the sanction of the Secretary of State as it was not stated that the allowance was sanctioned on account of the unhealthiness of the locality.

Auditor General's decision.—Sanction of the Secretary of State is necessary.

(A. R. Vol. XII—13) (Files No. 401-A of 1923 and No. 65-Code of 1927.)

(12)

N. A. R., Rule 1 (*1*).—Sanction of the Secretary of State is necessary for treating as Special Pay a Local Allowance sanctioned by him on account of expensiveness of the locality.

Terms of Reference.—In his Financial Despatch No. 162, dated the 30th September 1897, the Secretary of State accorded sanction to the grant of an allowance of Rs. 100 per mensem to the District Forest Officer, North Malabar, stationed in the Wynad. This allowance was sanctioned as a Local Allowance in consideration of the high cost of living and travelling in that locality Though no specific mention regarding the unhealthiness of the locality was made in the despatches to and from the Secretary of State on the subject, the original proposal of the Local Government showed that the allowance was recommended partly on this account also. The Local Government concerned now propose to treat the whole of this allowance as "Special Pay" under the Fundamental Rules.

As the allowance may be drawn by a member of the Indian Forest Service posted as District Forest Officer, North Malabar, the question for consideration is whether the proposal requires the sanction of the Secretary of State.

Auditor General's decision.—I consider that the sanction of the Secretary of State is necessary to the treatment of the whole of this allowance as "Special Pay".

(A. R Vol XIII—11.) (Files No. 210-A. of 1925 and No 66-Code of 1927.)

(13)

N. A. R., Rule 1 (2).—The appointment of an Architect for New Delhi against a vacancy in the cadre of Executive Engineers requires the sanction of the Secretary of State.

Terms of Reference.—It is proposed to appoint Mr. C.——as an Architect on the New Delhi establishment on a contract for five years on the special rate of pay sanctioned by the Secretary of State for the specialist branches of the Public Works Department. The question referred for decision is whether the appointment on the proposed terms may be reckoned against a vacancy in the cadre of Executive Engineers.

Auditor General's decision.—The contract is entered into with Mr. C.————as an Architect, he is to be employed as an Architect, and his remuneration is to be determined by the scale for specialist officers and not by the scale for Engineers. If, therefore, he is not to be reckoned against the cadre of specialist officers (Architects) sanctioned by the Secretary of State, his appointment will require the sanction of the Secretary of State.

(A. R. Vol. X—5.) (Files No 210-A. & A. of 1921 and No. 63-Code of 1927.)

(14)

N. A. R., Rule 1 (2).—The Secretary of State having in 1891 sanctioned for every Forest Department Officer employed on working plans duty, a Local Allowance not exceeding Rs 100, the grant of special pay within this limit does not require further sanction.

Terms of Reference.—It is proposed to modify Article 39 (i) of the Forest Department Code so as to allow the working plans officer and his assistants to draw allowances on the following scale:—

	Rs
(a) To the working plans officer whether in addition to his other duties or not .	100 per mensem
(b) To a gazetted officer not below the rank of Assistant Conservator appointed on special duty to assist the officer in charge of the working plans .	50 per mensem.
(c) To an officer of subordinate Forest Service appointed on special duty to assist in the work	25 per mensem.

The question for decision is whether the allowances will be treated as special pay under the Fundamental Rules and if so, whether the Government of India is competent to sanction the suggested modification.

Auditor General's decision.—The Government of India is competent to issue the revised rule. The emoluments granted will be regarded as special pay. The issue of such general orders would require the sanction of the Secretary of State were it not that in paragraph 2 (h) of his Despatch No. 15-Rev., dated the 5th February 1891, he has already sanctioned allowances up to a maximum of Rs. 100 per mensem for every officer employed on working plans duty.

(A R Vol. X—19) (Files No. 415-A & A. of 1921 and No 63-Code of 1927.)

(15)

N. A. R., Rule 1 (2) & F. R. 49.—Where a post on a fixed rate of pay exists, it may be entrusted, for a portion of a year, to a Gazetted officer holding another post in addition to his own duties, his pay being regulated under Fundamental Rule 49. even if his total pay is thereby raised above Rs. 1,200.

Terms of Reference.—The existing arrangement for the work of the Staff Selection Board is that at the time of the holding of examinations, etc., a whole-time Secretary is appointed, whose pay has been fixed at Rs. 1,000 per mensem. For the remaining period of the year an officer of the Government of India acts as part-time Secretary who is paid a special pay of Rs. 200 per mensem for carrying on the current duties.

Mr. B.————, an Assistant Secretary in one of the Departments of the Government of India, in receipt of pay at Rs. 1,100 per mensem has been given charge of the duties of the part-time Secretary to the Board in addition to his own duties and it is proposed to grant him a special pay of Rs. 200 per mensem.

The question for decision is whether the proposal requires the sanction of the Secretary of State under Rule 1 (2) of the (Central) New Audit Resolution.

Auditor General's decision.—The Staff Selection Board is a permanent and *quasi* whole-time Establishment and there exists a regular post of Secretary to carry on the work of that Board throughout the year, the pay of the whole-time post having been fixed at Rs. 1,000 per mensem It is, therefore, open to the Government of India to appoint Mr. B.———to hold substantively, as a temporary measure, or to officiate in, the post of the part-time Secretary to the Board and to regulate his pay under Fundamental Rule 49 (*b*).

(A R. Vol XIII—2.) (Files No 175-A. of 1924 and No. 66-Code of 1927.)

(16)

N. A. R., Rule 1 (3) —An appointment for three months on a Commission to enquire into the working of the Calcutta Port Trust on a fee which works out to more than Rs. 4,000 a month requires the sanction of the Secretary of State.

Terms of Reference.—A Mr. L.————has been engaged on the Commission to enquire into the working of the Port Trust of Calcutta at a fee of £3,150 and £500 expenses. If the enquiry

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(Compilation of Audit Rulings, No. 9, dated 1st October 1929.)

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posed works out at over £1,200 (*i.e.*, over Rs. 18,000) a month and therefore requires the sanction of the Secretary of State under Rule III (4) (*b*) of the Audit Resolution. But seeing that all negotiations with Mr. L.————have been carried on through the Secretary of State his sanction to the terms agreed on in those negotiations which were fully known to him, may be implied, and I do not consider a further reference to him necessary.

(A. D. IV—26) (Files No. 115-A. & A. of 1914 and No 53-Code of 1927.)

(17)

N. A. R., Rule 1 (3).—Where a temporary post after being in existence for some time, is held in abeyance and is then revived, the two periods of its existence should be taken together against the period for which it is sanctioned.

Terms of Reference.—The Secretary of State in his Public Works despatch No. 13, dated 6th May 1910, sanctioned, for a period not exceeding two years from the date of formation of the new Project Circle, a temporary appointment of a Superintendent

of Works for the Sutlej Project Circle in the Punjab. The circle was created on 7th November 1910, was temporarily closed on 1st April 1912, and has been re-opened from 24th November 1913. It is stated that it may be open for about 7 months from that date. The question for decision is whether a fresh sanction of the Secretary of State is necessary for the temporary appointment of Superintendent of Works in charge of the Circle.

Comptroller General's decision.—It is argued on the one hand that the first sanction expired when the circle was closed on 1st April 1912, and that the present temporary appointment must be treated as an independent appointment for the purpose of sanction.

It is argued on the other hand that the Secretary of State's sanction was for 2 years from the date of formation of the circle and therefore expired on 6th November 1912, and that the temporary appointment for that work cannot exist for more than one month after that date without his sanction.

I regard both these arguments as fallacious. The work was held in suspension from 1st April 1912 to 24th November 1913. The appointment of the Superintendent of Works in charge of the Circle after the latter date must be held to be the same appointment and subject to the same rules of sanction as the similar appointment prior to the former date But in the same way I would also regard the Secretary of State's sanction as held in abeyance during that period. In other words, I would not place too strict an interpretation upon the phrase "from the date of formation of the circle" in the despatch of the Secretary of State sanctioning the appointment, and would not require his further sanction if the emoluments of the temporary appointment of Superintendent of Works sanctioned by him are not drawn for more than 2 years and 1 month in all.—See clause III (4) (*c*) of the Audit Resolution read with Note 2 thereto.

(A D III—34.) (Files No. 126-A. & A of 1914 and No 52-Code of 1927.)

(18)

N. A. R., Rule 1 (*3*).—The period for which a particular post is sanctioned should run from the date of entertainment of officer, even though he may for a time be employed on some work different from that for which his post was sanctioned.

Terms of Reference.—In connection with a scheme for the extension and improvement of the Punjab Veterinary College, Lahore, the Government of India in their despatch No. 73, dated the 21st March 1912, proposed the addition of two permanent appointments to the cadre of the Imperial Civil Veterinary Department to provide for the posts of Post Graduate Professor and Professor of Pathology and Parasitology. In his despatch No. 47-Revenue, dated the 17th May 1912, the Secretary of State agreed to the addition of one post permanently to the Imperial Civil Vete-

rinary Department, but sanctioned the appointment of Professor of Pathology and Parasitology for a period of 5 years only in the first instance Mr. T.————, who was recruited in England for this post, joined the Imperial Civil Veterinary Department on the 21st March 1913. He did not, however, take charge of the duties of Professor of Pathology and Parasitology until 1st May 1916, on which date the class for the new course was opened, but was allowed in the meantime to act as Professor of Sanitary Science *vice* Mr. G————on leave. The question for decision is from what date the period of 5 years, for which the appointment was sanctioned, should be held to run. It has been urged that, as the appointment was actually filled on the 1st May 1916, the period should be held to run from that date.

Comptroller General's decision.—The proposal sanctioned by the Secretary of State in his despatch No. 47-Revenue, dated the 17th May 1912, amounted in effect, so far as Mr. T.————is concerned, to an increase to the Indian Civil Veterinary Department by the addition of an appointment to last for 5 years. It is observed that the increase to the Department took effect from the 21st March 1913 It is from this date, in my opinion, that the period of five years should be held to run. The particular appointment to which Mr. T.————may have been posted does not really affect the question from the audit point of view.

(A R Vol VI—31) (Files No 364-A. & A. of 1917 and No. 59-Code of 1927.)

(19)

N. A. R., Rule 1 (3).—The period of service in a temporary post as Joint Secretary, Home Department, and in continuation, on deputation out of India, followed by service as Secretary, Home Department, accompanied by an appointment of an Additional Secretary, Home Department, for the performance of the ordinary duties of Secretary should be taken together for the purpose of determining whether Secretary of State's sanction is necessary when all these were for the performance of Reforms Work.

Terms of Reference.—In consequence of work in connection with Political Reforms, Sir W.————was appointed temporary Joint Secretary, Home Department, on Rs. 3,000 per month from 8th October 1917 to 7th June 1918, was then deputed to England to end of October 1918, and was re-appointed Joint Secretary on return. From 28th April 1919 owing to the deputation of the Secretary, Home Department, on special duty, Sir W. ————has been appointed Secretary but with no change in his work, another officer, Mr R.————being appointed Additional Secretary on Rs. 4,000 per month for a year to carry on the ordinary work of the Secretary. The question for decision is whether the arrangement requires the sanction of the Secretary of State under Rule III (4) (c) of the Main Audit Resolution.

Comptroller General's decision.—The deputation, or more correctly, temporary appointment was sanctioned in the first place in consequence of Reforms Work, and the present arrangement as well as Sir W.————'s visit to England is and has been in pursuance of the same object.

I think, therefore, that for the purpose of sanction the periods of—

(1) Sir W.————'s special duty in India.
(2) his visit to England and
(3) the period of employment of Mr. R.————as Additional Secretary,

must be added together and the Secretary of State's sanction obtained.

(A. R Vol VIII—8.) (Files No 236-A. & A. of 1919 and No. 61-Code of 1927.)

(20)

N. A. R., Rule 1 (3).—The employment of several officers in succession in a temporary pay should be taken together for the purpose of the two years' limit to the Government of India's power of sanction, even though the rates of pay varied during the period.

Terms of Reference.—Mr. A.————was placed on special duty, with effect from the 9th December 1919 on a remuneration of Rs. 1,600 per month. He having obtained another appointment, the duties performed by him were entrusted, for a short period, till a whole-time officer was available, to two officers in addition to their own duties and these officers while so employed received duty allowances of Rs. 150 and Rs. 250 per month. Then a third officer Mr. E ————was placed on special duty to do the work done by Mr. A.————on a remuneration of about Rs 1,500 per month. The question for decision is whether the periods of deputation of Mr. A.————, employment of the two officers *ad-interim*, and the deputation of Mr. E.———— should be taken together for the purpose of Rule (3) of the New Audit Resolution, and the sanction of the Secretary of State required to extension of the temporary post or deputation beyond the 8th December 1921.

Auditor General's decision.—The sanction of the Secretary of State is necessary to the extension of the temporary appointment beyond the 8th December 1921.

(A R. Vol. IX—67.) (Files No 160-A & A. of 1921 and No 62-Code of 1927.)

(21)

N. A. R., Rule 1 (4).—The grant of a political gratuity to a late Government Pleader would require the sanction of the Secretary of State.

Terms of Reference.—The question for decision is whether the grant of a political gratuity of Rs. 3,000 to a late Government Pleader requires the sanction of the Secretary of State.

Comptroller General's decision.—In paragraph 4 of the Secretary of State's despatch No. 45-Finl., dated the 26th April 1912, it has been laid down that " the grant of a pension to a non-pensionable official, except in the special cases in which it is allowed by the Regulations, should be regarded as so exceptional as to require the sanction of the Secretary of State in Council." The term " pension " used above should be held to include gratuity.

2 A Government Pleader is a law officer of Government and has been included in the category of such officers detailed in Article 651 of the Civil Service Regulations. He is eligible for leave, subject to certain conditions (*vide* Articles 653 and 656 of the Civil Service Regulations). The facts that his service is not pensionable and that his whole-time is not retained for the public service do not warrant his being regarded as a non-official for the purpose of the present reference. The sanction of the Secretary of State is, therefore, necessary.

(A R Vol I—10) (Files No. 532-A & A. of 1914 and No 54-Code of 1927)

(22)

N. A. R., Rule 1 (*4*).—The continuance of acting allowances in excess of those permissible under the rules and involving an excess over the limit of remuneration prescribed in the Audit Resolution is beyond the powers of sanction of the Government of India even though such acting allowance may have been erroneously allowed for a long time past.

Terms of Reference.—Before the year 1890, the appointments of the Assistant Collectors of Salt Revenue in the Bombay Presidency were open to, and were in practice held by, members of the Indian Civil Service and acting grade promotions in these appointments were allowed under the rule in Article 105, Civil Service Regulations It was decided in that year to fill these appointments on the provincial service system. But acting grade promotions were by oversight allowed to continue and, although it was noticed in Government of India, Finance Department, letter No. 6325-P., dated the 6th November 1908, that the allowances granted to the Assistant Collectors were in excess of those admissible under Article 140 of the Civil Service Regulations, no action was actually taken in the matter. The facts recently came under the notice of the Accountant General, Bombay, and in his letter, dated the 7th July 1917, he objected to the further continuance of the practice without proper sanction. In their despatch No. 86, dated the 20th April 1917, the Government of India had already submitted a scheme for the amalgamation of the Salt and Excise Departments

Comptroller General's decision.—The deputation, or more correctly, temporary appointment was sanctioned in the first place in consequence of Reforms Work, and the present arrangement as well as Sir W.————'s visit to England is and has been in pursuance of the same object.

I think, therefore, that for the purpose of sanction the periods of—

(1) Sir W.————'s special duty in India.

(2) his visit to England and

(3) the period of employment of Mr. R.————as Additional Secretary,

must be added together and the Secretary of State's sanction obtained.

(A. R Vol. VIII—8.) (Files No. 236-A. & A. of 1919 and No. 61-Code of 1927.)

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Terms of Reference.—Mr. A.————was placed on special duty, with effect from the 9th December 1919 on a remuneration of Rs. 1,600 per month. He having obtained another appointment, the duties performed by him were entrusted, for a short period, till a whole-time officer was available, to two officers in addition to their own duties and these officers while so employed received duty allowances of Rs. 150 and Rs. 250 per month. Then a third officer Mr. E.————was placed on special duty to do the work done by Mr. A.————on a remuneration of about Rs. 1,500 per month. The question for decision is whether the periods of deputation of Mr. A.————, employment of the two officers *ad-interim*, and the deputation of Mr. E.———— should be taken together for the purpose of Rule (3) of the New Audit Resolution, and the sanction of the Secretary of State required to extension of the temporary post or deputation beyond the 8th December 1921.

Auditor General's decision.—The sanction of the Secretary of State is necessary to the extension of the temporary appointment beyond the 8th December 1921.

(A R. Vol IX—67.) (Files No. 100-A & A. of 1921 and No. 62-Code of 1927.)

(21)

N. A. R., Rule 1 (4).—The grant of a political gratuity to a late Government Pleader would require the sanction of the Secretary of State.

Terms of Reference.—The question for decision is whether the grant of a political gratuity of Rs. 3,000 to a late Government Pleader requires the sanction of the Secretary of State.

Comptroller General's decision.—In paragraph 4 of the Secretary of State's despatch No. 45-Finl., dated the 26th April 1912, it has been laid down that "the grant of a pension to a non-pensionable official, except in the special cases in which it is allowed by the Regulations, should be regarded as so exceptional as to require the sanction of the Secretary of State in Council." The term "pension" used above should be held to include gratuity.

2. A Government Pleader is a law officer of Government and has been included in the category of such officers detailed in Article 651 of the Civil Service Regulations. He is eligible for leave, subject to certain conditions (*vide* Articles 653 and 656 of the Civil Service Regulations). The facts that his service is not pensionable and that his whole-time is not retained for the public service do not warrant his being regarded as a non-official for the purpose of the present reference. The sanction of the Secretary of State is, therefore, necessary.

(A R Vol I—10) (Files No. 532-A & A. of 1914 and No 54-Code of 1927.)

(22)

N. A. R., Rule 1 (4).—The continuance of acting allowances in excess of those permissible under the rules and involving an excess over the limit of remuneration prescribed in the Audit Resolution is beyond the powers of sanction of the Government of India even though such acting allowance may have been erroneously allowed for a long time past.

Terms of Reference.—Before the year 1890, the appointments *of the Assistant Collectors of Salt Revenue in the Bombay Presidency* were open to, and were in practice held by, members of the Indian Civil Service and acting grade promotions in these appointments were allowed under the rule in Article 105, Civil Service Regulations. It was decided in that year to fill these appointments on the provincial service system. But acting grade promotions were by oversight allowed to continue and, although it was noticed in Government of India, Finance Department, letter No. 6325-P., dated the 6th November 1908, that the allowances granted to the Assistant Collectors were in excess of those admissible under Article 140 of the Civil Service Regulations, no action was actually taken in the matter. The facts recently came under the notice of the Accountant General, Bombay, and in his letter, dated the 7th July 1917, he objected to the further continuance of the practice without proper sanction. In their despatch No. 86, dated the 20th April 1917, the Government of India had already submitted a scheme for the amalgamation of the Salt and Excise Departments

Comptroller General's decision.—The deputation, or more correctly, temporary appointment was sanctioned in the first place in consequence of Reforms Work, and the present arrangement as well as Sir W.————'s visit to England is and has been in pursuance of the same object.

I think, therefore, that for the purpose of sanction the periods of—

(1) Sir W.————'s special duty in India.
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must be added together and the Secretary of State's sanction obtained.

(A. R. Vol. VIII—8.) (Files No. 236-A. & A. of 1919 and No. 61-Code of 1927.)

(20)

N. A. R., Rule 1 (*3*).—The employment of several officers in succession in a temporary pay should be taken together for the purpose of the two years' limit to the Government of India's power of sanction, even though the rates of pay varied during the period.

Terms of Reference.—Mr A ————was placed on special duty, with effect from the 9th December 1919 on a remuneration of Rs. 1,600 per month. He having obtained another appointment, the duties performed by him were entrusted, for a short period, till a whole-time officer was available, to two officers in addition to their own duties and these officers while so employed received duty allowances of Rs 150 and Rs. 250 per month. Then a third officer Mr. E ————was placed on special duty to do the work done by Mr A.————on a remuneration of about Rs. 1,500 per month. The question for decision is whether the periods of deputation of Mr. A.————, employment of the two officers *ad-interim*, and the deputation of Mr. E.———— should be taken together for the purpose of Rule (3) of the New Audit Resolution, and the sanction of the Secretary of State required to extension of the temporary post or deputation beyond the 8th December 1921.

Auditor General's decision.—The sanction of the Secretary of State is necessary to the extension of the temporary appointment beyond the 8th December 1921.

(A. R. Vol. IX—67.) (Files No. 160-A. & A. of 1921 and No. 62-Code of 1927.)

(21)

N. A. R., Rule 1 (*4*).—The grant of a political gratuity to a late Government Pleader would require the sanction of the Secretary of State.

Terms of Reference.—The question for decision is whether the grant of a political gratuity of Rs. 3,000 to a late Government Pleader requires the sanction of the Secretary of State.

Comptroller General's decision.—In paragraph 4 of the Secretary of State's despatch No 45-Finl., dated the 26th April 1912, it has been laid down that " the grant of a pension to a non-pensionable official, except in the special cases in which it is allowed by the Regulations, should be regarded as so exceptional as to require the sanction of the Secretary of State in Council." The term " pension " used above should be held to include gratuity.

2. A Government Pleader is a law officer of Government and has been included ... 'tailed in Article 651 of the Civil ... igible for leave, subject to certain ... 656 of the Civil Service Regulations) The facts that his service is not pensionable and that his whole-time is not retained for the public service do not warrant his being regarded as a non-official for the purpose of the present reference The sanction of the Secretary of State is, therefore, necessary.

(A R Vol I—10) (Files No. 532-A & A of 1914 and No. 54-Code of 1927)

(22)

N. A. R., Rule 1 (*4*).—The continuance of acting allowances in excess of those permissible under the rules and involving an excess over the limit of remuneration prescribed in the Audit Resolution is beyond the powers of sanction of the Government of India even though such acting allowance may have been erroneously allowed for a long time past.

Terms of Reference.—Before the year 1890, the appointments of the Assistant Collectors of Salt Revenue in the Bombay Presidency were open to, and were in practice held by, members of the Indian Civil Service and acting grade promotions in these appointments were allowed under the rule in Article 105, Civil Service Regulations. It was decided in that year to fill these appointments on the provincial service system. But acting grade promotions were by oversight allowed to continue and, although it was noticed in Government of India, Finance Department, letter No. 6325-P., dated the 6th November 1908, that the allowances granted to the Assistant Collectors were in excess of those admissible under Article 140 of the Civil Service Regulations, no action was actually taken in the matter. The facts recently came under the notice of the Accountant General, Bombay, and in his letter, dated the 7th July 1917, he objected to the further continuance of the practice without proper sanction. In their despatch No. 86, dated the 20th April 1917, the Government of India had already submitted a scheme for the amalgamation of the Salt and Excise Departments

in the Bombay Presidency, and in paragraph 4 (8) thereof, had stated that the Assistant Collectors of the combined Salt and Excise Department would not be eligible for acting grade promotions. In view of this fact and on administrative grounds, it is now proposed to continue the long standing practice in the case of the Assistant Collectors of Salt Revenue up to the date on which the amalgamation of the Salt and Excise Departments, sanctioned in Secretary of State's despatch No. 56-Rev., dated the 10th August 1917, is brought into effect It is also proposed that no recovery of the past irregular allowances should be made from the officers concerned. The question for decision is whether these proposals are within the powers of sanction of the Government of India.

Comptroller General's decision.—It is clear from the Government of India, Finance Department, letter No. 6325-P., dated the 6th November 1908, that the practice of allowing grade to grade promotions to Assistant Collectors of Salt Revenue in Bombay was irregular and has been continued up to the present time through an oversight. Its further continuance up to the date on which the amalgamation of the Salt and Excise Departments is brought into effect, would require the sanction of the Secretary of State, as it would involve the grant of acting allowances to officers in excess of those admissible under the Civil Service Regulations and the limit of remuneration prescribed in Rule III (3) (b) of the Audit Resolution would be thereby exceeded in some cases. The practice may either be discontinued from the 7th July 1917 (the date on which the Accountant General raised his objection) and the irregular allowances drawn written off by the Government of India under Rule IX of the Audit Resolution, or the sanction of the Secretary of State may be obtained to its continuance, until the reorganization is given effect to.

(A R Vol VI—26) (Files No. 497-A & A. of 1917 and No 59-Code of 1927.)

N. A. R., Rule 1 (4).—The grant of remission of land revenue for ten years to the heir of a tenant who was recruited for combatent service and was killed in the War, should be regarded as a pension and requires the Secretary of State's sanction.

(See Section VIII ruling 5 relating to Remission of Land Revenue.)

(Files No. 524-A. & A. of 1918 and No. 60-Code of 1927.)

(23)

N. A. R., Rule 1 (4) (c).—The Government of India are competent to sanction educational allowances to minor sons of Political pensioners in Government employment.

Terms of Reference.—The Government of India, Foreign and Political Department, in their Memorandum No. 96-F., dated the 26th September 1924, sanctioned the grant of an educational

allowance of Rs. 25 per mensem to each of the two sons of an Afghan refugee who was in Government employ and who was in receipt of a political pension. The question for decision is whether the Government of India were competent to sanction the allowance or the sanction of the Secretary of State was necessary.

Auditor General's decision.—The children on whose behalf these allowances were granted, being minors, the sanction of the Government of India is sufficient for the reasons that the objects of the relief given are not Government servants and their title to the relief lies in a political origin.

(A. R. Vol. XIII—13.) (Files No 432-A, of 1925 and No. 66-Code of 1927.)

(24)

N. A. R., Rule 1 (6) & Para. 287, P. W. D. Code, 10th Edn.—The original sanctioning authority need not sanction a supplementary estimate if such sanction is within the competence of a lower authority.

Terms of Reference.—The Military Works Department held that a Supplementary estimate composed of items not included in the original estimate should, irrespective of its amount, be sanctioned by the authority who sanctioned the original estimate. A Supplementary estimate in connection with a project the original estimate for which was sanctioned by the Secretary of State was accordingly submitted by them for the sanction of the Secretary of State, though the aggregate of [illegible] not exceed 10 per cent. of the [illegible] referred to the Auditor General [illegible] Public Works Department Cod[illegible] Secretary of State to the Supplementary estimate was necessary.

Auditor General's decision.—Paragraph 287 of Public Works Department Code (10th Edition) does not imply that the original sanctioning authority or a higher authority has to sanction a Supplementary estimate. It merely states when a Supplementary estimate is necessary just as paragraph 286 explains when an estimate has to be revised. The Government of India under rule VII (6) of the Main Audit Resolution enjoy the power to sanction within certain limits excess up to 10 per cent. of the original estimate.

The practice in the Military Works Department is irregular and no reference to the Secretary of State was necessary in the present case.

(A. R. Vol. X—31.) (Files No 20-Audit of 1922 and No. 63-Code of 1927.)

(25)

N. A. R. Rule 1 (8) (a) & Ecclesiastical Rules, Part V, Rule 10.—A Government grant for the construction of a

church at Malakand, which though the chief civil station of a Political Agency, is not the headquarters of a District, is beyond the competence of the Government of India.

Terms of Reference.—It was proposed to build a church at Malakand for the use of the garrison located there. The cost of the proposed church was estimated at Rs. 4,130, of which Rs. 2,000 had been collected by private subscriptions, and Government grant-in-aid was asked for, for the balance. The question for decision was whether the proposed grant would require the sanction of the Secretary of State.

Comptroller General's decision.—Malakand is the chief civil station of the Dir, Swat and Chitral Agency which does not constitute a ' district ' within the meaning of rule 10, Part V of the Ecclesiastical rules, and it was held; therefore, that no grant could be made towards a church at Malakand without the sanction of the Secretary of State.

(A. D. 44 of 12—13.) (Files No. 363-A. & A. of 1912 and No. 50-Code of 1927.)

(26)

N. A. R., Rule 1 (8) (a) **& Ecclesiastical Rules, Part V, Rule 10.**—The cost of electric installation in the office of the Presidency Senior Chaplain, Church of Scotland, Calcutta, should not be regarded as an addition to the Government grant to the Church.

Terms of Reference.—It has been proposed to put up an electric installation in the office of the Presidency Senior Chaplain, Church of Scotland, Calcutta, at an initial cost of Rs. 250 and a recurring charge of Rs. 30 per mensem for the electric power. The question for decision is, whether the cost of the installation should be regarded as an addition to the Government grant given in the past to the Church, and, as such, should require the sanction of the Secretary of State, in view of the fact that it will cause an excess over the authorised limit of Government outlay prescribed by the Ecclesiastical Rules.

Comptroller General's decision.—The Presidency Senior Chaplain is a Government officer, and it is always open to Government to provide electric installation for Government offices at State expense irrespective of the place where they may be located. The fact, that in this particular case the office of the Chaplain is located in the Church building, does not in itself operate to bring the expenditure within the scope of the Ecclesiastical Rules. The decision in the Saugor Petrol Storage Hut case referred to by the Finance Department cannot govern the present, as in that case the hut was intended for the storage of petrol which was required to light the church and as such it could not but be regarded as

an adjunct of the latter. But no such question arises in the present case, and the sanction of the Secretary of State is not required to the proposed expenditure.

(A. D. II—17.) (Files No. 165-A. & A. of 1913 and No. 51-Code of 1927.)

(27)

N. A. R., Rule 1 (*8*) (*a*) **& Ecclesiastical Rules, Part V, Rule 10.**—The value of a disused building to be converted into a church should be taken to be what it would reasonably fetch if sold to a willing buyer.

Terms of Reference.—It is proposed to convert a disused plunge bath in the British Infantry Lines at Nowgong into a Roman Catholic Church. The question for decision is what value should be taken of the existing building in determining the grant permissible for the additions and alterations required to make it suitable for church purposes.

Comptroller General's Decision.—It will be a reasonable method and one in accordance with the spirit of the Secretary of State's orders on such matters to take the initial value of this church, which is to be created by the conversion of a disused plunge bath, for the purpose of calculation as to the permissibility of works, at the amount which the Public Works Department officers consider the building would reasonably fetch if sold as it stands by a willing seller to a willing buyer.

(A. D. III—39.) (Files No. 20-A. & A. of 1914 and No. 52-Code of 1927.)

(28)

N. A. R., Rule 1 (*8*) (*a*) **& Ecclesiastical Rule, Rule 24** (*9*).—A saving from the maximum permissible expenditure for a church building cannot be utilised to provide it with a more costly apparatus for lighting and fans than is provided for in Rule 24 of the Ecclesiastical Rules.

Terms of Reference.—It is proposed to put up electric installation in St. Mary's Church at Fort St. George, Madras.

Rules 9 and 10, Part V of the Ecclesiastical Rules lay down the maximum grant permissible for a church building, and Rule 24 lays down similar maxima for furniture and lighting apparatus. The question for decision is whether the Government of India can utilise savings under building for providing a Church with a more costly apparatus for lighting and fans than that permitted by Rule 24.

Comptroller General's decision.—I regard the Audit Resolution as a convenient compilation of the previous decisions of the

church at Malakand, which though the chief civil station of a Political Agency, is not the headquarters of a District, is beyond the competence of the Government of India.

Terms of Reference.—It was proposed to build a church at Malakand for the use of the garrison located there. The cost of the proposed church was estimated at Rs. 4,130, of which Rs. 2,000 had been collected by private subscriptions, and Government grant-in-aid was asked for, for the balance. The question for decision was whether the proposed grant would require the sanction of the Secretary of State.

Comptroller General's decision.—Malakand is the chief civil station of the Dir, Swat and Chitral Agency which does not constitute a ' district ' within the meaning of rule 10, Part V of the Ecclesiastical rules, and it was held, therefore, that no grant could be made towards a church at Malakand without the sanction of the Secretary of State.

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Terms of Reference.—It has been proposed to put up an electric installation in the office of the Presidency Senior Chaplain, Church of Scotland, Calcutta, at an initial cost of Rs. 250 and a recurring charge of Rs. 30 per mensem for the electric power. The question for decision is, whether the cost of the installation should be regarded as an addition to the Government grant given in the past to the Church, and, as such, should require the sanction of the Secretary of State, in view of the fact that it will cause an excess over the authorised limit of Government outlay prescribed by the Ecclesiastical Rules.

Comptroller General's decision.—The Presidency Senior Chaplain is a Government officer, and it is always open to Government to provide electric installation for Government offices at State expense irrespective of the place where they may be located. The fact, that in this particular case the office of the Chaplain is located in the Church building, does not in itself operate to bring the expenditure within the scope of the Ecclesiastical Rules. The decision in the Saugor Petrol Storage Hut case referred to by the Finance Department cannot govern the present, as in that case the hut was intended for the storage of petrol which was required to light the church and as such it could not but be regarded as

an adjunct of the latter. But no such question arises in the present case, and the sanction of the Secretary of State is not required to the proposed expenditure.

(A D. II—17) (Files No. 105-A. & A. of 1913 and No 51-Code of 1927.)

(27)

N. A. R., Rule 1 *(8) (a)* **& Ecclesiastical Rules, Part V, Rule 10.**—The value of a disused building to be converted into a church should be taken to be what it would reasonably fetch if sold to a willing buyer.

Terms of Reference.—It is proposed to convert a disused plunge bath in the British Infantry Lines at Nowgong into a Roman Catholic Church. The question for decision is what value should be taken of the existing building in determining the grant permissible for the additions and alterations required to make it suitable for church purposes.

Comptroller General's Decision.—It will be a reasonable method and one in accordance with the spirit of the Secretary of State's orders on such matters to take the initial value of this church, which is to be created by the conversion of a disused plunge bath, for the purpose of calculation as to the permissibility of works, at the amount which the Public Works Department officers consider the building would reasonably fetch if sold as it stands by a willing seller to a willing buyer.

(A. D III—39) (Files No. 20-A. & A. of 1914 and No 52-Code of 1927.)

(28)

N. A. R., Rule 1 *(8) (a)* **& Ecclesiastical Rule, Rule 24** *(9)*.—A saving from the maximum permissible expenditure for a church building cannot be utilised to provide it with a more costly apparatus for lighting and fans than is provided for in Rule 24 of the Ecclesiastical Rules.

Terms of Reference.—It is proposed to put up electric installation in St. Mary's Church at Fort St. George, Madras.

Rules 9 and 10, Part V of the Ecclesiastical Rules lay down the maximum grant permissible for a church building, and Rule 24 lays down similar maxima for furniture and lighting apparatus. The question for decision is whether the Government of India can utilise savings under building for providing a Church with a more costly apparatus for lighting and fans than that permitted by Rule 24.

Comptroller General's decision.—I regard the Audit Resolution as a convenient compilation of the previous decisions of the

Secretary of State and not as superseding any such previous decisions unless it appears from the correspondence leading up to the promulgation of the relevant rule in the Resolution, that such a result is intended. But the present case shows that Rule III (11) of the Audit Resolution does not convey the instruction conveyed in the Secretary of State's despatch No. 14-Public, dated 11th February 1910, that the Ecclesiastical Rules (not merely those relating to the construction or alteration of a church) must be observed, and I can find nothing in the correspondence to indicate that it was intended to set aside that instruction. It is worthy of comment that that despatch referred to a case of installation of electric light in a church.

I am of opinion then:—

(1) that for the purpose of sanction Rule 24 of the Ecclesiastical Rules is independent of Rules 9 and 10. This is confirmed by the provisions of clause (9) which permits an excess on a particular article of furniture, provided that the excess is covered by savings on other articles (not, be it noted, by savings under other rules);

(2) that the proposal in the present case requires the sanction of the Secretary of State;

(3) that Rule III (11) of the Audit Resolution requires amendment by the substitution of "erection, alteration or furnishing" for "erection or alteration" wherever the latter phrase occurs.

Later.—I have carefully reconsidered this case and have decided that I must adhere to my original decision. These Ecclesiastical Rules were submitted to the Secretary of State and sanctioned by him as a whole, and it is necessary for audit officers to know whether the Secretary of State intentionally gave the Government of India power to act beyond the limits imposed by those rules by matters falling outside the erection or alteration of a church. I see the point of the argument that the Secretary of State must have considered this particular rule in the Audit Resolution carefully because he made an alteration therein. At the same time I think it is desirable to obtain from him an express pronouncement on the point now at issue.

The only other point on which I desire to comment is the remark that, inasmuch as the church is a purely military one, therefore, renewal of furniture has to be dealt with under Rule 27. In my opinion the case falls under Rule 26 read with Rule 27 and the substantive rule is contained in the second paragraph of Rule 26 which restricts the cost of the renewal to a sum which will provide furniture sufficient to make the value of the total furniture equal to that of the original supply.

(A. D. IV—45). (Files No. 236-A. A. A. of 1914 and No. 53-Cole of 1917.)

(29)

N. A. R., Rule 1 (8) (a).—Re-roofing a church which is the property of Government does not require the sanction of the Secretary of State.

Terms of Reference.—The Government of Bombay propose to re-roof the church at Dapoli and to carry out certain minor improvements at a total cost of Rs. 4,538, the proposed expenditure being met in the following manner:—

"Original works"—Cost Rs. 820, to be met from private subscriptions.

"Repairs"—Cost Rs. 3,718, to be met from public funds.

The church, after the above repairs and improvements are carried out, is to be maintained by Government, the cost of annual maintenance being Rs 100.

2. Depoli was once a Cantonment and the church is the property of Government, but for some years past the congregation has been composed of Indian Christians. The question for decision is whether *the proposal of the Government of Bombay requires the sanction* of the Secretary of State.

Comptroller General's decision.—As it has been decided that the church was never abandoned, there is no objection to the proposals being sanctioned in accordance with the ruling given by the Secretary of State in the Tezpur church case, *vide* His Lordship's Despatch No. 26-P. W., dated the 23rd September 1910.

(A. R. Vol. I—27.) (Files No 91-A. & A. of 1915 and No. 54-Code of 1927.)

(30)

N. A. R., Rule 1 (8) (a).—The sanction of the Secretary of State is necessary to the remission of supervision charges on the cost of construction of an Anglican Church built from private contributions with the aid of a Government grant.

Terms of Reference.—In his Despatch No. 7-Public Works, dated the 31st January 1913, the Secretary of State sanctioned a grant of Rs. 2,130 towards the construction of the Anglican Church at Malakand. In addition to this, an expenditure of Rs. 4,289, met by private contributions, was incurred on the construction of the church. The work was executed by the Military Works Services as a contribution work. The Governme India now propose to waive the recovery of the charges on a of establishment and tools and plant amounting to Rs. leviable under paragraph 1885, Public Works en (9th Edition) Volume II. The question for d the proposal requires a reference to the Secretary

Comptroller General's decision.—This case is not governed by the ecclesiastical rules in Appendix 10, Public Works Department Code, Volume III, and the present proposal practically amounts to sanctioning an increase of Rs. 1,572 over the grant specially sanctioned by the Secretary of State in his despatch No. 7-Public Works, dated the 31st January 1913. Moreover, even if the case did fall under the ecclesiastical rules, I consider that in view of the orders contained in the Secretary of State's despatch No 35-Public Works, dated the 9th July 1915, and revised Rule 1, Part V, Appendix 10, Volume III, Public Works Department Code, the Government of India are not empowered to sanction the proposed remission of the departmental charges on the portion of the outlay met from private subscriptions. The sanction of the Secretary of State is therefore required.

(A R. Vol IV—30.) (Files No 285-A. & A of 1916 and No. 57-Code of 1927.)

(31)

N. A. R., Rule 1 (*8*) (*a*) & Ecclesiastical Rules, Part V, Rule 35.—Compensation for church sittings may be paid by the Government of India on behalf of families of soldiers on active service.

Terms of Reference.—Under Rule 35, Part V, of the ecclesiastical rules the number of sittings in a church for which compensation is allowed is regulated, within certain limits, by the highest attendance during the year at a parade service of soldiers and their families actually quartered in the station. The Examiner of Accounts, Military Works Services, is of opinion that this rule does not contemplate the grant of compensation for church sittings in respect of the families of soldiers who are absent from the station on active service. The question for consideration is whether the ruling of the Examiner is correct.

Comptroller General's decision.—It is reasonable to hold that the rule in question covers the cases of the families of soldiers who are on active service, especially as I understand that existing orders contemplate the families of such soldiers remaining in their quarters free of rent, or the grant of a higher rate of separation allowance when the quarters are surrendered. A reference to the Secretary of State is not necessary.

(A R. Vol. V—33.) (Files No. 49-A & A. of 1917 and No. 58-Code of 1927.)

(32)

N. A. R., Rule 1 (*8*) (*a*) & Miscellaneous Ecclesiastical Rules, Rule 35.—Compensation for church sittings may be allowed for volunteers mobilised on military duty, just as for soldiers.

Terms of Reference.—The Bangalore Rifle Volunteers were mobilized for military duty, and compensation for church sittings in the St. Patrick's Church, Bangalore, was paid on their account. Under Rules 34 and 35 of the Ecclesiastical Rules, Part V, compensation for church sittings is authorized in respect of Protestant and Roman Catholic soldiers, and the question for decision is whether it is admissible in the case of mobilized volunteers, or whether a reference to the Secretary of State is required.

Comptroller General's decision.—There is no audit objection to mobilized volunteers being treated as covered by the term "soldiers" in Rule 35 of the ecclesiastical rules.

(A R Vol. VI—1) (Files No 168-A. & A. of 1917 and No. 59-Code of 1927.)

(33)

N. A. R., Rule 1 (8) (a) **& Ecclesiastical Rules, Rule 32.**—The grant of Rs. 1,500 towards the cost of repairs of a private church requires the sanction of the Secretary of State.

Terms of Reference.—The Bombay Government have requested the Government of India to sanction, under Rule III (11), Note, of the Audit Resolution of 1913, a grant of Rs. 1,500 to meet the cost of repairs of the Wesleyan Church at Colaba. It has been suggested—

(a) that the word 'church' in the Note under Rule III (11) of the Audit Resolution refers to both Government and private churches;

(b) that the word 'alteration' in that Note includes 'repairs' and

(c) that the Government of India have therefore power to sanction the grant.

The question for consideration is whether this view is correct.

Comptroller General's decision.—Rule III (11) of the Audit Resolution refers both to 'expenditure' on, and to 'grants-in-aid' towards, the erection or alteration of a church. The term 'expenditure' in this rule is apparently used with reference to churches which, under Rule 32 of the Ecclesiastical Rules, are the property of Government, and the term, 'grants-in-aid' with reference to private churches. The note to Rule III (11) of the Audit Resolution refers only to the 'expenditure' on the erection, etc., of a church. It follows that the note refers only to expenditure on Government churches and not to grants-in-aid to private churches. It also appears that the power conferred on the Government of India by the Note to Rule III (11) of the Audit Resolution was intended to be of the same nature as that conferred on Provincial Governments by Rule 18 (5) of the Provincial Audit

Resolution, which explicitly refers to Government churches only. I am, therefore, of opinion that the Note to Rule III (11) of the Audit Resolution is not applicable to the case of private churches.

I am further of opinion that the words " erection or alteration of a church " occurring in the Note under Rule III (11) of the Audit Resolution and Rule 23-B. of the Ecclesiastical Rules cannot be held to include " repairs ". Repairs to churches are dealt with separately in Rule 33 of the Ecclesiastical Rules, and rules 10 to 23 of those rules do not apply to such expenditure. This Note to Rule III (11) of the Audit Resolution cannot, therefore, be held to cover a grant-in-aid towards the repairs of a private church. This view is in accordance with precedents.

The proposed grant of Rs. 1,500 will therefore require the sanction of the Secretary of State.

(A. R. Vol. VI—49.) (Files No. 594-A. & A. of 1917 and No. 59-Code of 1927.)

(34)

N. A. R., Rule 1 (*8*) (*b*) **& N. A. R. (Provincial), Rule 1** (*10*).—The provision of a special inspection carriage for Public Works Department officers engaged on canal project does not require the Secretary of State's sanction as the restriction in Paragraph 1 (10) of the Provincial Audit Resolution has reference to high officials only.

Terms of Reference.—To facilitate work of inspection and supervision it is proposed to provide a special railway carriage for the use of officers employed on the construction of a certain canal project, the cost involved being charged against the works estimates. The question for consideration is whether the sanction of the Secretary of State is necessary.

Auditor General's decision.—Rule 1 (*10*) of the new Provincial Audit Resolution or Rule 1 (*8*) (*b*) of the Central Audit Resolution refers specifically to carriages reserved for the use of high officials. It was retained because it is difficult for any authority in India to deal with the personal amenities of Governors and Members of Councils. It was certainly not intended to refer to a case such as the present in which a carriage is being obtained for the use of Irrigation officers who without any disrespect do not come within the category of high officials as contemplated in Rule 1 (*10*) of the new Provincial Audit Resolution or Rule 1 (*8*) (*b*) of the Central Audit Resolution. The expenditure therefore may be sanctioned by the Local Government.

(A. R Vol X—8.) (K. W. Files No 149-A. & A. of 1921 and No 63-Code of 1927.)

(35)

N. A. R., Rule 1 (*8*) (*b*).—Addition of vehicles to Viceregal trains is within the competence of the Government of India.

Terms of Reference.—In connection with the provision of special railway carriages for high officials the Secretary of State in paragraph 4 of his despatch No. 58-Railway, dated the 15th July 1910, observed that without his consent no additional special carriages are to be provided and no addition is to be made to the list of Officers entitled to use them. The Government of India in paragraph 2 of their Finance Department despatch No. 144, dated the 15th June 1911, scheduled the composition of the Viceroy's train and in paragraph 10 thereof asked for power to incur such expenditure as may from time to time be necessary in order to complete and keep up-to-date one standard gauge and one metre-gauge train for the use of His Excellency the Viceroy. This was approved by the Secretary of State in his despatch No. 67-Railway, dated the 29th September 1911. It is now proposed to take over 3 carriages from the Royal train and add them to the Viceregal train—two in replacement of existing couches and the 3rd in addition. The question for decision is whether the proposal requires the sanction of the Secretary of State.

Auditor General's decision.—I read the Secretary of State's orders as laying down no restrictions on the composition of the Viceregal train. The sanction of the Government of India in this case is sufficient.

(A. R. Vol. XI—16.) (Files No. 116-A. of 1922 and No. 64-Code of 1927)

(36)

N. A. R., Rule 1 (*8*) (*c*).—The sale-proceeds of a motor car purchased for the Head of a Province should be credited to Miscellaneous and cannot be added to the contract grant without the sanction of the Secretary of State.

Terms of Reference.—A motor car which had been purchased for the use of the Lieutenant-Governor of the United Provinces was to be sold and the questions for decision were—(1) what would be the correct head to which the sale-proceeds should be credited, and (2) if it were decided that the credit might be taken to the contract grant of the Lieutenant-Governor, whether the sanction of the Secretary of State would be necessary to such a credit.

Comptroller General's decision.—In paragraph 5 of the Government of India, Finance Department, despatch No. 245, dated 1st September 1910, it was suggested "that sums derived from the sale of cars should be credited to the contract allowance" and "as a set off to this concession the life of a car be fixed at six years" (instead of 5 years which, in the opinion of the Government of India, was the proper period to fix).

But according to paragraph 2 of that despatch the proposals contained therein "are based on the presumption that Your Lordship will approve of the scheme.......... ....whereby motor cars

for heads of provinces will, in future, be purchased and maintained from the contract allowance, a suitable addition being made to the latter for the purpose."

In his despatch No. 125-Financial, dated 21st October 1910, the Secretary of State expressed complete accord with the view that cars should be bought and paid for from contract grants, and it was argued that he had also accepted the proposal that sale-proceeds might be credited to those grants.

This view might be accepted in respect of the sale-proceeds of cars purchased from contract grants, but not of cars which might have been purchased from Provincial funds. The whole of the Government of India despatch of 1st September 1910 dealt with the new procedure to be followed in respect of the purchase of cars, and the Secretary of State might well have understood that it was the intention of Government that the sale-proceeds of cars purchased from the contract grant should be credited to the contract grant.

It was, therefore, held that the proposed addition to the contract grant was not justified by the Secretary of State's despatch No. 125-Financial, dated 21st October 1910, and therefore required the sanction of the Secretary of State under rule III (16) of the Audit Resolution.

It was also held that the correct classification would be to "XXV.—Miscellaneous*", but this classification need not be followed if the Secretary of State permitted the sale-proceeds to be added to the contract grant.

(A. D. 17 of 12-13.) (Files No. 390-A. & A. of 1912 and No. 50-Code of 1927.)

(37)

N. A. R., Rule 1 (8) (c).—The purchase of a motor car for His Excellency the Viceroy from his contract grant does not require *the sanction of the Secretary of State.*

Terms of Reference.—The question referred for decision was whether the purchase of a motor car for the use of His Excellency the Viceroy required the sanction of the Secretary of State.

Comptroller General's decision.—The Government of India in their Finance Department despatch No. 137, dated 8th June 1911, submitted certain proposals to the Secretary of State in respect of the Staff, Household and contract expenditure of His Excellency the Viceroy, and the Secretary of State passed orders on these

*The present head of account is XXXV-Miscellaneous *vide* Appendix 7 to the Audit Code.

proposals in his despatch No. 55-Financial, dated 17th May 1912. In paragraph 8 of the former despatch the Government of India called attention to Rule III (17) of the Audit Resolution, and noted that provision had been included in the contract grant for the purchase and upkeep of motors for His Excellency. To this the Secretary of State raised no objection, and in paragraph 4 of his reply he approved the proposals in paragraphs 5 and 6 of the letter of the Government of India, one of these being that the contract grant was to be fixed at Rs. 1,32,000 and that the expenditure incurred therefrom was to be unaudited. It followed, therefore, that the purchase of a motor car for His Excellency the Viceroy from his contract grant did not require the sanction of the Secretary of State.

(A. D 25 of 12-13) (Files No. 28-A. & A. of 1913 and No. 50-Code of 1927.)

(38)

N. A. R., Rule 1 (*8*) (*c*).—The maximum annual limit fixed by the Secretary of State for expenditure on furniture for the Viceroy's residences cannot be increased by sale-proceeds of old furniture or savings from grants of previous years.

Terms of Reference.—In paragraph 5 of the Secretary of State's despatch No. 55-Financial, dated 17th May 1912, and paragraphs 2—3 of his despatch No. 14-Financial, dated 24th January 1913, the maximum annual limit of expenditure on furniture for the Viceregal residences that could be incurred without the Secretary of State's sanction was fixed at Rs. 42,000. The Examiner, Military Works Services, who is the Auditor of the accounts of these estates, pointed out that during 1912-13 against the limit referred to above, a sum of Rs. 34,991 was spent and a further grant of Rs. 14,629 was sanctioned by the Government of India, in their Public Works Department letter No. 1945-A.—O. W., dated 17th December 1912, and that as the sum of these two items exceeded the maximum limit of Rs. 42,000 by Rs. 7,620 the sanction of the Secretary of State was required. The Audit Officer, Delhi Province, also represented that in view of the excess referred to above and noticed by the Examiner, Military Works Services, the following two estimates for furniture requirements for the Circuit House, Delhi, required the sanction of the Secretary of State, *viz.*:—

(*a*) Rs. 22,573 sanctioned in the Government of India, Public Works Department letter No. 1089 B. D., dated 9th December 1912.

(*b*) Rs. 6,000 for repairs to furniture sanctioned in the Government of India, Public Works Department letter No. 18-M. D., dated 7th January 1913.

As regards the objection raised by the Examiner, Military Works Services, it has been explained by the Government of India that the allotment of Rs. [illegible] is made up as follows:—

	Rs.
[illegible] of furniture at Calcutta and Simla	[illegible]
Savings on the grant for [illegible] not fully utilised in [illegible]	[illegible]
Total	[illegible]

As under the rules for the management of the Viceregal Estates (Rules III and IX) both the above items can be added to the maximum limit of Rs. [illegible] referred to above, it has been argued that instead of there being any excess as noticed by the Examiner, there has actually been a saving of Rs. [illegible] representing the difference between Rs. [illegible] and Rs. [illegible], the amount actually expended, and as such the sanction of the Secretary of State is not required.

The question for decision is whether the objection raised by the Audit Officer, Delhi Province, is valid or not.

[illegible] Remarks.—With regard to the Audit Officer's objection [illegible] has been pointed out that as the Circuit House at Delhi has become a Viceregal Estate with effect from 1st April 1912 only, and as all expenditure on this building incurred prior to that date is adjustable against the Project Estimate for Temporary Delhi which has been sanctioned for [illegible] by the Secretary of State in his despatch No. 3-Public Works, dated [illegible] January 1912, it follows that under Rule [illegible] of the [illegible] Audit Resolution [Government of India, Finance Department Resolution No. [illegible] (E. A.), dated 15th March [illegible]], the Government of India are competent to sanction [illegible] up to 10 per cent. of the original amount sanctioned by the Secretary of State. This being the case, it has been argued that the [illegible] pointed out by the Audit Officer, Delhi Province, which fall far short of the 10 per cent. limit can be sanctioned by the Government of India on their own authority.

The Secretary of State in paragraph [illegible] of his Financial despatch No. [illegible] dated [illegible] May 1912, as interpreted by his Financial despatch No. [illegible], dated [illegible] January 1913, has ordered that [illegible] expenditure in excess of Rs. [illegible] in any year on furniture [illegible] may be undertaken without his sanction. This order it seems to me is decisive [illegible]. The Circuit House at Delhi during 1912-13 was [illegible] and the furniture purchased in that [illegible] permanent use in one of [illegible] its cost [illegible] Excellency the [illegible]

It is impossible to accept the argument that its cost may be taken against the estimate for Temporary Delhi and sanctioned by the Government of India under the 10 per cent. limit rule. Such expenditure requires special sanction of the Secretary of State, and if special sanction is required through the medium of an estimate submitted for sanction, special reference must be made to the expenditure for which such sanction is required. There is no trace of any reference to expenditure on furniture for the use of His Excellency the Viceroy in Viceregal Lodge in any estimate of the cost of Temporary Delhi submitted to the Secretary of State for sanction.

Again, the estimate was for Rs. 52,36,000. Suppose the final cost, exclusive of furniture for Viceregal Lodge was 50 lakhs; would anybody suggest that over 7½ lakhs could be spent on furniture for Viceregal Lodge without the sanction of the Secretary of State? Yet that is the logical inference from this argument!

I am of opinion, therefore, that if the total cost of furniture for Viceregal residences in 1912-13 inclusive of Viceregal Lodge, Delhi, exceeded Rs. 42,000, the sanction of the Secretary of State is necessary.

My opinion has not been asked on the other questions, but I beg to offer the following remarks The order of the Secretary of State as interpreted in his Financial despatch No. 14, dated 24th January 1913, is quite unmistakable. Only one interpretation can be put upon it. Rs. 42,000 is the maximum limit of such expenditure in any one year, irrespective of lapses from previous years or sale-proceeds of old furniture. I am aware that the Secretary of State was told in Government of India, Finance Department despatch No. 137, dated 8th June 1911, that lapses were not resumed. He may have forgotten this when he passed his last order, but the interpretation of that order is not open to doubt. If the rules relating to Viceregal Estates are not in accord with this interpretation, they should be altered unless and until the Secretary of State revises his order.

(A. D II—37) (Files No. 249-A & A of 1913 and No. 51-Code of 1927.)

(39)

N. A. R., Rule 1 (8) (c).—An excess of 30 per cent. over an estimate for a Viceroy's Residence sanctioned by the Secretary of State requires his sanction.

Terms of Reference.—The point for decision is, whether a reference to the Secretary of State will be necessary in respect of the excess over the estimate for the Circuit House at Delhi, which amounts to Rs. 1,14,534 or more than 30 per cent. of the figure sanctioned by the Secretary of State even although the estimate of Rs. 52,36,000 for the provision of temporary accommodation for

Government of India at Delhi, which has been sanctioned by the Secretary of State and which included Rs. 3,67,674 on account of expenditure in the Delhi Circuit House, may not be exceeded by more than 10 per cent.

Comptroller General's decision.—Under Note 2 (a) to Rule VI (2) of the Audit Resolution, the previous sanction of the Secretary of State is required to any project in connection with residences of the Viceroy estimated to cost more than Rs. 1,50,000 and all sanctions accorded by the Government of India in excess of Rs. 2,500 and up to Rs. 1,50,000 have to be reported to the Secretary of State.

As the special sanction of the Secretary of State is necessary for all estimates in connection with expenditure on His Excellency the Viceroy's residences if they exceed Rs. 1,50,000, it must be held that his special sanction is necessary for excesses of over 10 per cent. on such estimates, irrespective of the fact that they form part of a big project estimate which may not be exceeded as a whole.

(A D II—39.) (Files No. 249-A. & A. of 1913 and No. 51-Code of 1927.)

(40)

N. A. R., Rule 1 *(8) (c)*.—The debit of charges for the purchase and renewal of pictures of Viceregal residences to the grant for the expenditure on Viceregal buildings instead of to that for supply and repair of furniture requires the sanction of the Secretary of State.

Terms of Reference.—The question for decision is whether expenditure on the purchase and renewal of pictures in the Viceregal residences, which has till now been debited to the grant for the supply and repair of furniture, can be debited to the grant for the expenditure on Viceregal buildings without the sanction of the Secretary of State.

Comptroller General's decision.—The grant for expenditure on furniture is subject to the limit of Rs. 42,000 a year, which cannot be exceeded without the sanction of the Secretary of State. In the case of works, however, there is no such limit, the only restrictions being that the sanction of the Secretary of State is necessary for any project costing over 1½ lakhs, and that all sanctions for works costing above Rs. 2,500 should be communicated to the Secretary of State. The change of classification proposed will therefore not only set free funds for expenditure on other kinds of furniture, but also enable the Government of India to sanction any amount on pictures up to 1½ lakhs subject only to a report to the Secretory of State.

It is argued that the sanction of the Secretary of State is not necessary for the change, as the notes written in 1896 show that

the grant of Rs. 42,000 was calculated at 7 per cent. on the capital value of the furniture to be replenished, which did not include pictures. This reference is based on the fact that the capital value of the furniture in Calcutta was taken at 3½ lakhs, whereas a little later the furniture there excluding pictures was valued at over 5¼ lakhs. I am afraid this argument would necessitate the removal of many articles from the list of furniture, and I cannot attach much weight to it. Moreover, the whole argument is baseless, because it is evident from the Public Works Member's note dated 1st June 1897 that the additional grant asked for by the Military Secretary to the Viceroy was sanctioned without any regard to the estimates which were obtained at the time.

On the other hand, it appears from the rules reproduced on pages 8 and 9 of Proceedings, C. W. B., 55-57 of December 1896 that historical and presentation pictures have been included in furniture since 1885, and it is therefore doubtful if, in asking for additional grant in 1896, the Military Secretary to the Viceroy intended to exclude the expenditure on pictures from this head in future; there is no indication of this in his note dated 23rd September 1896 on page 6 of notes in the same Proceedings.

Whatever might have been the intention at that time, it is reasonable to contend that expenditure on pictures which had been debited to the furniture grant for over 25 years before the Government of India reported the sum of Rs. 42,000 to the Secretary of State in their despatch No. 137-Financial, dated 8th June 1911, should form part of the expenditure to which the limit of Rs. 42,000 was imposed by the Secretary of State in his despatches No. 55-Financial, dated 17th May 1912, and No. 14-Financial, dated 24th January 1913.

I am of opinion, therefore, that the change of classification proposed requires the sanction of the Secretary of State.

(A. D. III—24.) (Files No 132-A. & A. of 1914 and No. 52-Code of 1927.)

(41)

N. A. R., Rule 1 (8) (c).—The inclusion of "Chicks" in the list of articles of furniture for Viceregal residences does not require a reference to the Secretary of State.

Terms of Reference.—It is proposed to include "chicks" in the list of articles enumerated in Rule II of the Rules for the supply and repair of furniture for the Viceregal residences, and the question for consideration is whether this requires the sanction of the Secretary of State.

Comptroller General's decision.—Since the list includes articles of a similar nature, such as curtains, door-mats, mattings, etc., and since it is not proposed to exceed the annual grant of Rs. 42,000 sanctioned by the Secretary of State, the mere

inclusion of "chicks" in the list in question does not require a reference to the Secretary of State.

(A. R. Vol IV—6.) (Files No 256-A. & A. of 1916 and No. 57-Code of 1927.)

(42)

N. A. R., Rule 1 (8) (c).—Purchase of bungalows in Delhi for Rs. 75,000 with a view to economising expenditure on tents for the Viceroy's Camp establishment should be reported to the Secretary of State.

Terms of Reference.—Under the Government of India despatch No. 137, dated the 8th June 1918, and the Secretary of State's despatch No. 55-Fl., dated the 17th May 1912, His Excellency the Viceroy has full powers of the Government of India, in respect of sub-head "I—Maintenance and repairs of Camp equipment," under head "C—Tour Expenditure," subject to a limit of Rs. 50,000 a year. The sub-head in question is intended to cover charges on account of the purchase and hire of tents. It is considered more economical to accommodate a portion of the Viceregal Camp staff in residential bungalows instead of in tents, and five houses have, therefore, been purchased in Delhi at an aggregate cost of Rs. 75,000. The following proposals are made in regard to the adjustment of the expenditure:—

(a) The re-appropriation, in the current financial year, of a sum of Rs. 30,000 from the grant for "Maintenance and repairs of Camp equipment" to "45—Civil Works*."

(b) The surrender to Government from the grant in question, of sums of Rs. 20,000 and Rs. 25,000 in the years 1919-20 and 1920-21 respectively.

(c) The reduction, permanently, with effect from 1921-22, of the limit of His Excellency's power to incur expenditure under "I—Maintenance and repairs of Camp equipment" from Rs. 50,000 to Rs. 40,000 a year.

The question for decision is whether they require the sanction of the Secretary of State.

Comptroller General's decision.—The expenditure in question (Rs. 75,000) should be taken under the head "45—Civil Works,* Viceregal Estates—Public Works Expenditure on buildings." As it is in excess of Rs. 2,500, it must be reported to the Secretary of State, under *Note 2 (a) to Rule VI (2) of the Main Audit Resolution.* I have no information which will enable me to comment on the adequacy of the proposed reduction of grant under

* The present head of account is 41-Civil Works, *vide* Appendix 7 to the Audit Code.

" C—Tour Expenditure—Maintenance and repairs of Camp equipment," but this reduction should be intimated to the Secretary of State, and it is desirable that the mode of calculation should be explained to him.

(A. R. Vol. VII—18) (Files No 363-A & A of 1918 and No 60-Code of 1927.)

(43)

N. A. R., Rule 1 (8) (c).—The Government of India have full powers in respect of glassware for residences of the Commander-in-Chief

Terms of Reference.—It is proposed to purchase a stock of table glass valued at Rs 2,000 for use in " Snowdon ", the official residence of His Excellency the Commander-in-Chief at Simla. The question for consideration is whether the sanction of the Secretary of State is necessary.

Auditor General's decision —The sanction is within the competence of the Government of India

(A R Vol. X—7) (Files No. 64-A. & A. of 1921 and No. 63-Code of 1927.)

(44)

Miscellaneous.—The sanction of an allowance to be given ordinarily in a certain manner contemplates a deviation from the rule in extraordinary circumstances, but does not authorise any but the rule-making authority to sanction the deviation.

Terms of Reference.—In his despatch No. 22-Public, dated 12th March 1896, the Secretary of State sanctioned the scheme for the reorganisation of the Educational Services in India, which was submitted to him in the Government of India, Home Department despatch No. 351, dated 11th Decmber 1895. For the Punjab, the scheme had two allowances,—one a senior allowance of Rs. 250—50—500, and another, a junior allowance of Rs. 200—10—250 a month, attached to the two appointments of the Principal, Government College, Lahore, and the Senior Inspector of Schools, respectively. Now the Principal of the Government College being an Officer of the Indian Medical Service and as such being not eligible for either of the allowances, the Punjab Government granted the junior allowance to the Principal, Central Training College, Lahore, the senior one having already been allotted to th [illegible] whether [illegible] to the P [illegible] ence to higher authority.

Comptroller General's decision.—The relevant portion of the Government of India, Home Department despatch No. 351, dated

11th December 1895, in this connection is to be found in paragraph 7:—

"We have adopted the plan suggested by Lord Cross of attaching personal allowances to the office of Principal and Senior Inspector of Schools—————We recommend the following scale of allowances for the—————Punjab,—(a) one allowance of Rs. 250—50—500 a month to be given ordinarily to the senior of the two officers holding the appointments of Principal of the Lahore Government College and Senior Inspector of Schools, and (b) one allowance of Rs. 200—10—250 a month to be given ordinarily to the junior of the officers holding the above mentioned appointments."

This sanction contemplates in extraordinary circumstances the grant of the allowances other than as herein set forth, but it does not state whose sanction is necessary for any deviation from the ordinary rule. To have made the sanction complete, it should have had an addition somewhat on the following lines:—

"In exceptional circumstances, however, The Secretary of State will be / the Government of India / Local Government prepared / are empowered to sanction the grant of either of these allowances, otherwise than herein set forth / to any other Principal or Inspector."

In the absence of any such addition, there is no definite delegation of sanction by the Secretary of State in respect of the grant of these allowances otherwise than in strict accordance with the rule quoted omitting the word "ordinarily." The power of sanction, therefore, in such a case must be determined by the ordinary rules, and accordingly rests with the Secretary of State.

(A. D. II—6.) (Files No. 82-A. & A. of 1913 and No. 51-Code of 1927.)

(45)

Miscellaneous.—Introduction of a part only of a scheme sanctioned by the Secretary of State does not require his further sanction.

Terms of Reference.—In submitting a scheme for the reorganisation of the Judicial Service in the Central Provinces and Berar, the Government of India, in their Finance Department Despatch No. 402, dated the 22nd October 1914, recommended that the pay of the second Additional Judicial Commissioner, Central Provinces, should be raised from Rs. 2,750 to Rs. 3,000 a month, as a result of the increase proposed in the pay of District Judges and also on the ground that there was no distinction between the work done by the first and the second Additional Judicial Commissioner and that the former had already been drawing salary at the higher rate. The Secretary of State in his Despatch No. 243-Public, dated the 25th December 1914, sanctioned the pro-

posals from the 1st April 1915, subject to the condition that funds were provided in the Budget for 1915-16 for the expenditure. It is now proposed to give effect only to the increase of pay of the second Additional Judicial Commissioner from the 1st April 1915 in advance of the other proposals, and the question for decision is whether fresh sanction of the Secretary of State is necessary.

Comptroller General's decision.—Under the terms of the Secretary of State's sanction the increase may be given effect to from the 1st April 1915, subject only to budget provision. Again, the main reason urged by the Government of India in paragraph 5 of their Despatch was that there was no distinction between the work of the first Commissioner and that of the second Commissioner. Fresh sanction of the Secretary of State is, therefore, not necessary in this case.

(A. R. Vol. II—30) (Files No. 249-A. & A. of 1915 and No. 55-Code of 1927.)

(46)

Miscellaneous.—Remission of fees payable by importers of salt does not involve increase of expenditure and does not require the sanction of the Secretary of State.

Terms of Reference.—With a view to encouraging a continuous discharge of ships carrying salt and thus to relieve the pressure occasioned by the scarcity of tonnage, it is proposed to sanction the remission of fees for overtime work, which in ordinary times are levied from importers, but to continue the payment of the usual overtime fees estimated at Rs. 4,000 a month to the Customs staff, the latter being met from Government funds instead of from the fees paid by importers. The question for decision is whether the proposals require the sanction of the Secretary of State.

Comptroller General's decision.—The proposal should for audit purposes be treated as involving a remission of revenue and not an increase of expenditure. Customs officers will be paid at the usual authorised rates for overtime work, and all that is now contemplated is the remission of certain fees ordinarily payable to Government by merchants and shipowners. There is no rule in the Audit Resolution restricting the powers of the Government of India in this respect. The mere fact that the Secretary of State, in his despatch No. 45-Rev., dated the 3rd April 1903, approved of the continuance of the overtime charges received from merchants and shipowners does not render his sanction necessary to the remission of these charges in the present emergency. A reference to the Secretary of State is not, therefore, necessary from an audit point of view.

R. Vol VI—17.) (Files No 376-A. & A. of 1917 and No. 59-Code of 1927.)

Finance Department, Resolutions No. 737-E. A., dated the 22nd March 1921, and No. 802-E. A., dated the 4th April 1921, and in Schedule III of the Devolution Rules published with the Government of India, Reforms Office Notification No. 308-S., dated the 16th December 1920, may be exercised with retrospective effect, where the Government of India or the Local Government concerned regard it as necessary, from dates earlier than those mentioned in paragraph 2 of the Resolution mentioned above, and in the Government of India, Reforms Office Notification No. 19-S., dated the 24th March 1921, respectively.

(A. R Vol. IX—68) (Files No. 126-A. & A. of 1921 and No. 62-Code of 1927.)

(50)

Miscellaneous.—The Government of India are competent, under their enhanced powers, to raise the emoluments of an officer though the Secretary of State specifically refused to raise it under the old rules.

Terms of reference.—According to the agreement entered into by Mr. K.————in England he is entitled to Rs. 925 (including Overseas pay and technical allowance) for the first year and Rs. 975 for the second year. The Government of India recommended to the Secretary of State a pay of Rs. 1,200 per mensem but the Secretary of State did not agree to the increase, *vide* his telegram dated the 27th January 1921. The question for consideration is whether the Government of India is now competent in virtue of its enhanced powers under Reforms to sanction the increased rate of pay.

Auditor General's decision.—In paragraph 4 of his Financial Despatch No. 38 of 1921, the Secretary of State said:—

"The rules which accompany this Despatch are intended to enable the Government of India, to act without regard to orders passed by the Secretary of State in Council in specific cases under previous regulations. This clearly covers the present case and the Government of India is therefore competent to accord sanction.

(A. R Vol. X—20.) (Files No. 491-A. & A. of 1921 and No. 63-Code of 1927.)

(51)

Miscellaneous.—Sanction to a special class of posts should not be utilised to create posts of an entirely different character.

Powers of sanction under the New Audit Resolution may be exercised retrospectively.

Terms of Reference.—The Chief Commissioner, Delhi, sanctioned in July 1920 and September 1920 the creation of two

gazetted posts—one of Financial Assistant to the Chief Engineer, Delhi, Public Works Department, and the other of Assistant Estate Officer which formed part of the scheme "Entertainment of establishment for the New Capital, Public Works Department at Delhi," which was sanctioned by the Secretary of State, declared that the posts would count against the provision for the Assistant Executive Engineers in the revised proposition statement for the New Capital Staff sanctioned by the Secretary of State. Another appointment of a Financial Assistant was created in 1922.

2. The question for consideration is whether the entertainment of the Financial Assistants and the Assistant Estate Officer against the sanctioned post of Assistant Executive Engineers was regular.

Auditor General's decision.—While sanctioning the revised proposition statement of the New Capital Committee, the Secretary of State was given to understand that the appointments of Engineers would be filled either by members of the Indian Service of Engineers or else by temporary Engineers. I consider that the expression "temporary Engineers" must mean men who have Engineering qualifications and who are recruited to fill definite appointments in which these qualifications will be exercised. I do not think it would be right to hold that because certain Engineer appointments were in abeyance, other appointments with totally different duties can be held to count against the appointments specifically sanctioned for Engineers In 1920, when the appointments were created this objection was justified but the change of circumstances since then has altered the situation absolutely. In 1920, the New Delhi building scheme required the sanction of the Secretary of State as a scheme of which the estimate exceeded a certain figure. From the 19th February 1921, the date of effect of the New Audit Resolution (Central) the Delhi scheme and all items thereof fall within the power of the Government of India. This power may be exercised *retrospectively* and can be and has been delegated to the New Capital Committee. The New Capital Committee as representing the Government of India is therefore now the final authority in creating appointments within the powers of the Government of India and may do so retrospectively

(A R. Vol. XII—10) (Files No 301-A. of 1923 and No [illegible]

Page 47—

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2. The question for consideration is whether the entertainment of the Financial Assistants and the Assistant Estate Officer against the sanctioned post of Assistant Executive Engineers was regular.

Auditor General's decision.—While sanctioning the revised proposition statement of the New Capital Committee, the Secretary of State was given to understand that the appointments of Engineers would be filled either by members of the Indian Service of Engineers or else by temporary Engineers. I consider that the expression "temporary Engineers" must mean men who have Engineering qualifications and who are recruited to fill definite appointments in which these qualifications will be exercised. I do not think it would be right to hold that because certain Engineer appointments were in abeyance, other appointments with totally different duties can be held to count against the appointments specifically sanctioned for Engineers. In 1920, when the appointments were created this objection was justified but the change of circumstances since then has altered the situation absolutely. In 1920, the New Delhi building scheme required the sanction of the Secretary of State as a scheme of which the estimate exceeded a certain figure. From the 19th February 1921, the date of effect of the New Audit Resolution (Central) the Delhi scheme and all items thereof fall within the power of the Government of India. This power may be exercised *retrospectively* and can be and has been delegated to the New Capital Committee. The New Capital Committee as representing the Government of India is therefore now the final authority in creating appointments within the powers of the Government of India and may do so retrospectively.

(A. R. Vol. XII—10) (Files No. 301-A. of 1923 and No. 65-Code of 1927.)

the

Department that, the requests of the two Local *Governments* cannot be met merely by the casual hire of existing carriages, whether such carriages be characterised as a tourist's car or a first class family carriage or a bogie saloon. Any addition to such stock of a railway company in order to meet such a demand of a Local Government should be regarded as requiring the sanction of the Secretary of State.

The cost of such carriages should then be met from Provincial funds and should be reserved for the use of the Local Government which has found the funds for their construction.

([illegible] Letter No. [illegible] & A. of 1921 and No. 63-Code of 1927.)

N. A. R. Reserved Rule 2 (2).—Government of India can sanction, on behalf of the Secretary of State, a permanent post on pay exceeding Rs. 1,200 a month.

[See Section II (a), ruling 2 relating to N. A. R. (Prov.) Rule 1 (2).]

(A. R. Vol. XII [illegible] Letter No. 323-A. & A. of 1923 and No. 65-Code of 1927.)

(8)

Miscellaneous. A Local Administration formed on the redistribution of the territories of a Provincial Government did not inherit all the powers of the latter, and an express delegation would be necessary for any higher powers being exercised by it than those enjoyed by other Local Administrations.

Terms of Reference. In his despatch No. 54-Revenue, dated 26th May 1907, the Secretary of State sanctioned the proposal of the Government of India made in their despatch No. 60, dated 21st February 1907, that the late Government of Eastern Bengal and Assam should be empowered to depute officers of the rank of Deputy and Sub-Deputy Collector for land acquisition work when necessary, and to grant them, subject to certain conditions, *while so employed, the pay of their rank, together with a local* allowance not exceeding Rs. 100 per mensem in the case of Dep Collectors of the 7th or any higher grade, and not exceeding 1 per mensem in the case of officers on salaries below Rs. 2 mensem. The Assam Administration has now asked for *powers to be granted to them, and the question has bee* whether the Government of India are competent to sanction posal without reference to the Secretary of State in view graph 16 of his despatch No. 59-Financial, dated 26th May

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(A. D. II—11) (Files No 162-A. & A. of 1913 and No. 51-Code of 1927.)

(9)

Miscellaneous.—Local Governments have full powers over the amounts added for rounding off the figures of particular grants in the Budget.

Terms of Reference.—The Government of Madras sanctioned the re-appropriation of a sum of Rs. 400 added to budget figures to make a round total to some items of expenditure within the same minor head. The Accountant General, Madras, objected to this on the ground that, sums added to budget figures for rounding were not in the *nature of budget grants and should not therefore be made* available for any specific re-appropriation as explained in Article 158, Civil Account Code, 7th Edition. The Local Government, on the other hand, held that they were quite competent to sanction extra expenditure, so long as the aggregate budget grant for the total Provincial expenditure was not exceeded.

The Government of India are of opinion that the sums placed at the disposal of Local Governments for their expenditure during the year are inclusive of the additions and deductions for rounding, which should not therefore be left out of account in determining any excess or saving under the heads of expenditure controlled by the Local Government.

Comptroller General's decision.—I agree with the view expressed by the Government of India.

(A. D. II—15.) (Files No 177-A & A. of 1913 and No. 51-Code of 1927.)

(10)

Miscellaneous.—In a bill passed by a Provincial Legislature and assented to by the *Governor General the sanction of the Government* of India may be presumed for any provision which requires such sanction for purposes for audit.

The provisions of a law should override executive instructions of the Government of India only when they are obligatory but not where they allow discretion to Local Government.

Terms of Reference.—Under Rule 28 (iii) of the Assam Local Board Manual (1905), all receipts in respect of any schools, hospitals, railways, tramways, *bazars*, buildings, institutions or works constructed by, vested in, or placed under, the control and administration of the Board under the orders of the Chief Commissioner, Assam, are credited to the Local Funds concerned. There are certain *bazars* in Assam which are already leased to Local Boards

Department that, the requests of the two Local Governments cannot be met merely by the casual hire of existing carriages, whether such carriages be characterised as a tourist's car or a first class family carriage or a bogie saloon. Any addition to such stock of a railway company in order to meet such a demand of a Local Government should be regarded as requiring the sanction of the Secretary of State.

The cost of such carriages should then be met from Provincial funds and should be reserved for the use of the Local Government which has found the funds for their construction.

(A. R. Vol. X—18.) (Files No. 390-A. & A. of 1921 and No. 63-Code of 1927.)

N. A. R. (Reserved) Rule 2 (2).—Government of India cannot sanction on behalf of the Secretary of State, a permanent post on pay exceeding Rs. 1,200 a month.

[See Section II (b), ruling 2 relating to N. A. R. (Provl) Rule 1 (2).]

(A. R. Vol. XII—5.) (Files No 323-A & A. of 1923 and No 65-Code of 1927.)

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Comptroller General's decision.—I do not think it can be held that a Local Administration is the heir-at-law of a Local Government and succeeds to the full powers of the latter. If the Assam Government wish to exercise, in granting allowances to these officers any

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Comptroller General's decision.—I agree with the view expressed by the Government of India.

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and the receipts from which have hitherto been credited to the provincial revenues. The question for consideration is whether, in case the Chief Commissioner proposes to transfer any of the leased *bazars* to a Local Board in virtue of the powers proposed to be conferred on him under clause 25 (*f*) read with clause 30 of the Assam Local Self Government Bill, the sanction of the Government of India is necessary under Article 283—4 (9) of the Civil Account Code, 7th Edition to the alienation of the receipts from the *bazars* in favour of the Local Board.

Comptroller General's decision.—This comparatively trivial matter might raise a rather important question. A bill passed by a local legislature receives the assent of the Governor General, not of the Government of India. If then a bill were not seen by the Government of India before it had been passed by the local legislature, the question would arise whether the assent of the Governor General carried with it any specific sanction of the Government of India required by audit rules.

I do not think, however, this point need necessarily arise. Every bill introduced in a local legislature is sent, I understand, to the Government of India for approval before introduction. The difficulty pointed out above will not arise if Local Governments be instructed, when consulting the Government of India concerning any bill which they wish to introduce, to call the attention of the Government of India to any provision of that bill referring to any point on which under audit rules the specific sanction of the Government of India is necessary.

The Finance Department, also, should scrutinise bills sent to them for consideration and bring to notice any such points.

If this procedure be allowed, it may be assumed in audit that any bill passed in a local legislature which has received the assent of the Governor General has received the sanction of the Government of India to any provision of the Act which under audit rules requires such sanction.

If an Act of a local legislature or of the Government of India referred to any point on which the sanction of the Secretary of State was necessary under audit rules, the manner in which such sanction should be obtained would have to be referred to him for decision.

With regard to the general question raised by the Government of Bombay as to the extent to which the provisions of a law absolve a Local Government from executive instructions which may have been issued by the Government of India, either specifically or in a general form, the Government of India issued the following orders:—

"(1) That when a provision of law, or of rule having the force of law, obliges a Local Government to act in a particular way, this

must obviously override any executive orders which may be quoted to the contrary; but

(2) when, as in the case of section 16 of the City of Bombay Improvement Act, 1899, a Local Government is allowed discretionary powers within certain limits, it is open to the Government of India, in the exercise of its general statutory powers as controlling authority, to issue general or specific instructions as to the way in which such discretionary powers shall be exercised

The standing orders embodied in the general financial codes such as the Civil Service Regulations, are instructions of the Government of India with reference to clause (2) above The extent of their application should be determined by the nature of the particular ruling involved. If it be of a really imperative character, it would in the opinion of the Government of India be reasonably considered to apply If, however, as is the case with Article 753 (IV) of the Civil Service Regulations (old edition), which commenced with the words 'The pay admissible shall ordinarily be determined by the following rules, etc.,' it is merely of the character of a general presumption which can be departed from for good cause in particular cases, such general presumption may reasonably be considered to be rebutted by a statutory discretion given to a Local Government."

(*Vide* Government of India, Education Department, No 146, dated the 27th August 1914, to the Government of Bombay,—circulated under Comptroller General's Endorsement No 1031-A & A /83-14, dated the 9th October 1914.)

(A. D. III—35) (Files No 83-A. & A of 1914 and No. 52-Code of 1927.)

(11)

Miscellaneous.—That contribution to a Municipality is made towards the maintenance of a Fire Brigade is irrelevant to a consideration of its admissibility.

Terms of Reference.—The Government of India propose to sanction the grant of a contribution from General revenues to the Simla Municipality towards the maintenance of the Simla Fire Brigade. The details working up to the contribution include an item [illegible] Fund on account of [illegible] General, Punjab, [illegible] of the Secretary of State on the analogy of clause III (3) (8) of the Audit Resolution, and the question for consideration is whether such sanction is necessary.

Comptroller General's decision.—This should be treated as a contribution pure and simple to the Municipality irrespective of the details on a consideration of which the amount of the contri-

bution has been fixed. A reference to the Secretary of State is, therefore, not necessary.

(A. R. Vol. I—25.) (Files No. 96-A. & A. of 1915 and No. 54-Code of 1927.)

(12)

Miscellaneous.—The grant of powers to a Local Government automatically conveys sanction to the exercise of those powers by any authority exercising the existing powers of a Local Government.

Terms of Reference.—The question for decision is whether the grant by the Secretary of State to a Local Government of powers, under a particular Article of the Civil Service Regulations, automatically conveys his sanction to the exercise of those powers by any authority which, under the provisions of Appendix 1, Civil Service Regulations, is permitted to exercise the existing powers of a Local Government under that Article.

Comptroller General's decision.—The Finance Department has held that there must be an express delegation by the Secretary of State to each individual authority. Even if this view is technically correct, a point which is discussed below, its acceptance is a matter of practical impossibility in an audit office. It means that the provision of Appendix 1, Civil Service Regulations, do not apply to any powers granted to a Local Government by the Secretary of State since 1911, when he issued his authoritative ruling on the subject of delegation, unless the despatch of the Secretary of State expressly grants the powers to the subordinate authority mentioned in that Appendix. Thus, when considering the application of any entry in the Appendix, an audit officer will have to ascertain when the power was originally granted to a Local Government, and if that is subsequent to 1911, will have to consult the despatch to see whether there is express delegation to the subordinate authority.

Moreover, it may well be argued that the Secretary of State, in granting powers to a Local Government, may be using the term "Local Government" in accordance with the definition contained in Article 34, Civil Service Regulations, and if this be so, the view held by the Finance Department seems to be without justification.

I doubt whether the Secretary of State's despatch No. 23-Financial, dated the 28th June 1918, exactly covers the case in question, as it refers merely to the grant of power to authorities whose status has been recognised as identical. I agree, however, that it will be in accordance with the spirit of that despatch, if the Government of India definitely recognise that the Secretary of State, whenever he grants powers under the Civil Service Regulations to Local Governments, uses that phrase in accordance with the definition contained in Article 34, Civil Service Regulations.

(A. R. Vol. VII—49.) (Files No. 247-A. & A. of 1917 and No. 60-Code of 1927.)

(13)

Miscellaneous.—A scheme for replacing village watchmen in Gorakhpur District by cash-paid chaukidars which had been sanctioned by the Secretary of State, but had been put off for seven years on administrative considerations, does not require a fresh sanction even if the cost is slightly more than that estimated for the original sanction.

Terms of Reference.—In his telegram, dated the 16th June 1913, the Secretary of State sanctioned in connection with the scheme put forward by the Government of India in their despatches No. 82, dated the 7th April 1913, and 123, dated the 15th May 1919, regarding the increase of the resources of rural boards in certain provinces,—the substitution of cash-paid chaukidars in the Gorakhpur district for village watchmen, who were paid by grants of land and whose *jagirs* were to be resumed by Government. The cost of the scheme was estimated at Rs. 90,000 a year gross and after deducting the revenue accruing from resumed *jagirs*, the net cost was estimated at Rs. 76,000 a year. The scheme, however, could not be given effect to so long owing to certain unavoidable circumstances, and it is now proposed to do so from the 1st July 1919, with an additional net expenditure of Rs. 24,000 a year, as noted below. The question for Comptroller General's consideration is whether the present proposal requires the sanction of the Secretary of State as the sanction of that authority was obtained over five years ago and as the cost will now be higher than was originally estimated.

Rs. 1,18,000 (Pay, clothing, etc., of chaukidars).

Deduct Rs. 18,000 (value of resumed *jagirs*).

Rs. 1,00,000.

Comptroller General's decision.—The proposals sanctioned by the Secretary of State in his telegram, dated the 16th June 1913, were those contained in Government of India, Finance Department, despatch No. 82, dated the 17th April 1913, as amended by their despatch No. 123, dated the 15th May 1913. The former showed the net cost of Oudh Rural Police and Gorakhpur chaukidars combined as (11·02—·14) or 10·88 lakhs. While the latter showed the cost of the Oudh Rural Police as 9·96 lakhs.

Thus the net cost of the chaukidars as reported to the Secretary of State was Rs. 92,000, while it is now estimated as Rs. 1,00,000. This difference alone is not of sufficient importance to make it necessary to obtain a fresh sanction of the Secretary of State.

The sanction accorded in 1913 was in pursuance of a broad scheme of reform, which there can now be no possible intention of upsetting. To require a fresh sanction, merely because administrative difficulties have prevented effect being given to the former sanction until now, would be the merest technicality.

I do not think that even a formal report need be made to the Secretary of State as the matter will be brought to his notice through this audit ruling.

(A. R. Vol. VII—20) (Files No 292-A. & A. of 1919 and No. 61-Code of 1927.)

(14)

Miscellaneous.—The powers of Local Governments to sanction excess over estimates on works are to be determined by the rules in force at the time when the sanction is accorded and not when the expenditure is incurred.

Terms of Reference.—The question for consideration is if the excesses over estimates for works sanctioned by the Government of India or the Secretary of State before 1st April 1921, can be sanctioned by Local Governments when the total of the revised estimate is within the monetary limit of their enhanced powers, delegated to them on the introduction of Reforms, or if the right to exercise these powers, depends upon the fact whether or not any portion of the excess was incurred before April 1st, 1921.

Auditor General's decision.—In paragraph 4 of his Financial Despatch No 38, dated the 19th May 1921, the Secretary of State accepted the accuracy of the presumption that " when the new rules come into force both the Government of India and the Local Governments will be entitled to sanction excesses over estimates which have previously received his sanction, if the total cost of such estimates as increased by the excesses falls within their revised powers. It is true that the Secretary of State's Despatch gives no indication whether his decision would have been modified, if it had been pointed out to him that his decision might cover cases in which the actual expenditure incurred prior to 1st April 1921, was in excess of amount which might be sanctioned by authorities in India prior to that date. I am confident however that his decision would have remained in the form in which it has been expressed, *i.e.*, the rules that have to be applied to cases of sanction to works expenditure are those in force when sanction is accorded, even though prior to the date expenditure may have been in excess of the limit of the powers of sanction then in force.

It is evident, however, that when expenditure is incurred in excess of existing powers of sanction that expenditure becomes automatically objectionable and the Audit authority is bound to challenge it and to ask for the sanction of the competent authority. If there were any deliberate delay in obtaining the sanction because of a hope that a subordinate authority might shortly obtain enhanced powers which would enable it to accord sanction, it would be within the discretion of audit authority to require that a proper sanction should be obtained at once, without waiting for a decision as to the grant of increased powers.

(A. R. Vol X—23.) (Files No. 471-A. & A. of 1919 and No. 63-Code of 1927.)

(15)

Miscellaneous, Para. 4 of G. I. F. D. Resolution No. 1449-E. A., introducing the Provl. A. R.—Delegation of its financial powers to the Bombay Development Directorate and the sanctioning of the Development Budget are within competence of the Local Government.

Terms of Reference.—It is proposed—

(1) that in the case of works to be carried out by the Development Directorate or under its supervision the Development Department be regarded as "Government in the Public Works Department"; and

(2) that the Development Directorate's budget for works to be carried out from the Development funds be sanctioned by the Local Government itself.

The question for consideration is whether the above proposals require the sanction of the Secretary of State.

Auditor General's decision.—First proposal.—The Local Government is competent, after consultation with its own Finance Department to delegate any or all of its powers to the Development Board.

Second proposal.—The Development Board budget will be subject to the same rules as the provincial budget of the Local Government and therefore will not require the sanction of the Government of India.

(A. R. Vol X—6.) (Files No 234-A. & A. of 1921 and No. 63-Code of 1927.)

SECTION III.—AUDIT RULINGS RELATING TO CANONS OF FINANCIAL PROPRIETY.

(1)

Canon 1.—A provision in a contract that an officer "will make himself generally useful" is no bar to the additional remuneration being granted to him for duties radically different from his substantive work.

Terms of Reference.—Mr. C. —— was appointed by His Majesty's Secretary of State for India on a four years' agreement on a pay of Rs. 450—20—510 as a Foreman, Mason on non-gazetted establishment in connection with the erection of certain buildings. On the termination of that agreement his services were re-engaged on Rs. 600—50—800 for a further period of six years, on a revised agreement, concluded by the Government of India. The rate of pay laid down in the revised agreement was subsequently raised to Rs. 650—50—850 by the Government of India as a result of a general scheme sanctioned for non-gazetted Works Assistants Nearly 10 months after the conclusion of the revised agreement Mr. C.—was placed in independent charge of a sub-division. It was then proposed to grant to the officer a special pay of Rs. 100 per mensem for so long as his responsibilities were increased and held to be equivalent to those of a division. As under the revised agreement the officer was liable to make himself generally useful as might be required of him. The question for consideration is whether any additional remuneration can be sanctioned for the officer in consideration of his increased work or responsibilities and whether such a grant would not infringe the first canon of financial propriety.

Auditor General's decision.—The authority which is competent to enter into a contract is also competent to cancel the same contract. If it then desired to enter into another contract with the same person, the answer to the question whether the same authority is competent to do so must depend upon the terms of the contract.

If, however, the authority were to cancel an existing contract, whereby an officer would be granted increased emoluments for doing the work, which the original contract required him to do, an audit officer would be competent to consider whether such action would not constitute a breach of the first canon of propriety as there is *primâ facie* extravagance in giving an officer higher emoluments than it is necessary under an existing contract to give him for the performance of the same duties.

Applying these general principles to the existing case I find that the most important factor to be taken into consideration is the fact

that after the conclusion of the revised agreement Mr. C—was placed in charge of a sub-division. The relevant portion of the existing contract requires Mr. C —" to work as a Work Assistant (Mason) in connection with the building of New Delhi and to discharge all duties appertaining to that office and also of such duties as are discharged by persons holding similar situations in India and will make himself in other respects generally useful as may be required of him by the Government or any officer thereof who shall be placed over him and that he will with his own hands employ himself if so ordered on any work ". It is a well-known rule of interpretation that any phrase such as " and will make himself in other respects generally useful " can only cover work of the same nature as the substantive work required of him which is that of a mason. Independent charge of a sub-division is work radically different in character from that of a mason and therefore there is no breach of the first canon of propriety in granting him in recognition of that increased responsibility a higher rate of pay.

(A. R. Vol XI—6) (Files No 45-A. & A. of 1923 and No 64-Code of 1927.)

(2)

Canon 3.—The Government of India should not sanction any innovation in the matter of travelling allowance to Members of the Executive Council on tour.

Terms of Reference.—The question referred for decision was whether the Government of India could sanction the payment from general revenues of the expense of railway haulage of motors of Members of the Executive Council when they go on tour.

Comptroller General's decision.—In 1889 the then Comptroller and Auditor General required the sanction of the Secretary of State to the payment from general revenues of the cost of a special train used by Sir T. after his retirement from his post in the Governor General's Executive Council In submitting the case to the Secretary of State the Government of India said, in paragraph 5 of their Finance Department despatch No. 174, dated 15th June 1889, " The charges incurred in the grant of complimentary accommodation to high officers of Government when travelling in India have always been considered to fall into the same category as travelling allowances generally, and as being, therefore, within the competence of the Government of India to deal with, subject always to Your Lordship's control."

In replying to this despatch the Secretary of State said in paragraph 3 of his despatch No 189-Financial, dated 29th August 1889 " I am, however of opinion that such allowances (*i.e.*, travelling allowances) should be specifically reported for confirmation to the Secretary of State in Council, and should not be merely authorised by your Government subject to my control. I referred to this matter incidentally in my despatch of the 20th of June last, "

He then went on to comment very freely on the provision at Government expense of travelling facilities to Members of Council.

To ascertain what the Secretary of State had in view when writing his despatch referred to above it was necessary to consider his despatch of the 20th of June. He was then considering the Audit Resolution of 1889, and in paragraphs 3 and 4 of his despatch he said. "This leads me to the consideration of the extent to which it is possible to obtain the Secretary of State's sanction formally where it is strictly required by the Acts of Parliament regulating financial responsibility. In a very large class of cases * * * * it is impossible to comply literally with the terms of the Act of Parliament (21 and 22 Victoria, Chap. 106, Sec. 41) which says that the expenditure of the revenues in India both in India and elsewhere shall be subject to the control of the Secretary of State in Council. At the same time it is desirable that the Secretary of State's sanction should in each case be formally given to the Government of India's incurring such expenditure without his detailed supervision, and I therefore request Your Excellency to consider how far it may be possible to formulate rules for the purpose. Speaking generally, it seems desirable that whenever delay in the incurring of expenditure will not be prejudicial, it should be reserved for the Secretary of State's sanction, and that whenever any body of rules is codified, the code should be also submitted for his approval, care being taken to point out any regulations which have not already been authorised by him." The Government of India contested these proposals, and they were dropped for the time, but they contained the germ from which the present Audit Resolution has evolved.

It was clear from the present Audit Resolution that the Secretary of State no longer asserts that travelling allowances should be specially reported for confirmation, but he is probably as anxious now as he was then to supervise the travelling allowances of Members of the Executive Council.

No pronouncement of the Secretary of State in Council could be quoted as an authority for the above decision, but it could be based on a broad principle that a body to whom power has been delegated ought not to use that power so as to benefit pecuniarily any member of that body. The charge which it was now desired to thrust on general revenues was one which members had hitherto borne themselves. The order which it was now desired to pass was contrary, therefore, to this principle. It was respectfully thought that the Governor General in Council ought not to pass an order, under powers delegated to them, whereby the individual members of the Council will benefit, and that any such order ought to be passed by the Secretary of State in Council.

[The Secretary of State in his despatch No. 79-Financial, dated 30th May 1913, sanctioned the grant of allowances to the extent

of four-fifths of the cost of conveyance, the remaining one-fifth being borne by the Member himself, as the presence with the member of his private car would save him expense in hiring and would also in some cases serve his private convenience.

Although under paragraph II of Resolution No. 368-Genl. (E. A.), dated 15th March 1913, the Government of India have full power to sanction the grant of allowances including travelling and conveyance allowances which are not included in "remuneration", the Secretary of State observed that as the present proposal involved a somewhat important innovation, it was right and in accordance with the spirit of Rule III (1) (*a*) of that Resolution that it was submitted for his sanction.]

(A. D. 24 of 12-13) (Files No 17-A & A of 1913 and No. 50-Code of 1927.)

NOTE —*The ruling is of historical value as it is the origin of the third* canon of financial propriety

(3)

Canon 4.—An expenditure of Rs. 174 on the purchase of furniture for the use of European Police Sergeants at Dacca is considered insignificant though it is devoted to an object outside the ordinary work of administration.

Terms of Reference.—The question for decision is, whether the sanction of the Secretary of State is necessary for the purchase of furniture at a cost of Rs. 174 for the use of the European Police Sergeants at Dacca

Comptroller General's decision.—This case can be dealt with under the Secretary of State's Financial despatch No. 55,* dated 1st May 1914.

I may remark that the Accountant General has misinterpreted Article 1631, Civil Account Code, 7th Edition. That necessitates direct reference to the Comptroller General in cases of classification and of account. This case, however, is entirely an audit question and has to be dealt with under Article 1631A, Civil Account Code, 7th Edition.

(A. D. IV—64) (Files No 211-A. & A of 1914 and No. 53-Code of 1927.)

(4)

Canon 4.—A building grant and a recurring grant-in-aid to the Society for the Protection of Children in Western India was regular, as the institution was educational in its scope and character.

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* In this despatch the Secretary of State vested in the Government of [illegible] to sanction up to a limit of Rs 500 in each case petty

Terms of Reference.—The Society for the Protection of Children in Western India at—applied to the Local Government for an annual grant-in-aid towards the expenses of the Society, and a building grant for the main buildings of the Society. The objects of the Society are—

(*a*) to prevent the public and private wrongs of children and the corruption of their morals;

(*b*) to take action for the enforcement of the laws for their protection, and if necessary to suggest new laws or amendments of the existing laws;

(*c*) to provide and maintain an organisation for these objects; and

(*d*) to do all other lawful things incidental or conducive to the attainment of the foregoing objects.

The Local Government after examining the report of the Society sanctioned an annual grant-in-aid of Rs. 5,000 for three years in the first instance, and also proposed a building grant of Rs. 75,000. The question for consideration is, who is the authority competent to sanction the building grant.

Auditor General's decision.—As the institution in question is educational in its scope and character, note 2 to Rule III (12) of the Main Audit Resolution may be held to apply and no reference to Secretary of State is necessary.

(A. R. Vol. IX—17.) (Files No. 339-A. & A. of 1920 and No 62-Code of 1927.)

(5)

Canon 4.—Reimbursement to a private company acting as the agents of the Government of India for loss incurred by them while so acting is not "unusual" if the Government of India consider their claim equitable.

Terms of Reference.—An arrangement was entered into by Government with Messrs.————for the sale of Australian wheat [illegible]

on certain consignments and they would, therefore, lose to the extent of Rs. 5,219-8-2 unless the Government of India compensated them to that extent, as was proposed to be done, on grounds of equity. The question is whether the sanction of the Secretary of State is necessary.

Auditor General's decision.—If the Government of India consider that the claim is equitable it cannot be called "unusual". Sanction of the Secretary of State is not necessary.

(A. R. Vol. IX—21.) (Files No. 409-A. & A. of 1920 and No. 62-Code of 1927.)

(6)

Canon 4.—The Government of India is competent to sanction reimbursement of the legal expenses incurred by a Sub-conductor who was prosecuted and acquitted.

Terms of Reference.—At the instance of the Quartermaster General in India, Sub-Conductor B —— of the Army Clothing Depôt was prosecuted by the Civil Police for criminal misappropriation of Govtrnment money. He was, however, acquitted by the Magistrate. Sub-Conductor B —— has now put in a claim for reimbursement of legal expenses amounting to Rs. 1,030.

The question for consideration is whether the claim requires the sanction of the Secretary of State.

Auditor General's decision.—As no important question of principle is involved other than the ordinary one dealt with in Secretary of State's despatch No. 70-Fl., dated the 14th December 1917, the sanction of the Secretary of State is not necessary.

(A. R. Vol IX—16.) (Files No. 418-A. & A. of 1920 and No 62-Code of 1927.)

(7)

Canon 4.—The grant of Rs. 500 a month to the Chief Head of the Buddhist Church for exercising due control over monks of bad character was sanctioned with the object of preserving law and order and was thus within the ordinary work of administration.

Terms of Reference —It is proposed to grant Rs. 500 a month under certain conditions to the Thathanabaing, the Chief Head of the Buddhist Church, for entertaining the necessary staff to exercise an efficient control over men of notoriously bad character who are [illegible]

is necessary.

Auditor General's decision.—As the grant is made largely with the object of preserving law and order which is within the ordinary work of administration, I am of opinion that, so far as audit is concerned, the sanction of the Secretary of State is not necessary.

(A. R. IX—35) (Files No. 583-A. & A. of 1920 and No. 62-Code of 1927.)

(8)

Canon 4.—The grant of Rs. 25,000 to a religious body for re-building a house used as a hostel for the benefit of a large number of men in Government employ, is " unusual ".

Terms of Reference.—It is proposed to grant Rs. 25,000 to a religious body for *inter alia* re-building a house which is used as a hostel where board, lodging and social amusements are provided on

moderate terms The question for consideration is whether the sanction of the Secretary of State is necessary to the grant, in view of the fact that the hostel affords the above amenities to a large number of men in Government employ.

Auditor General's decision.—The sanction of the Secretary of State is necessary as it is proposed to utilise the grant, in part at any rate, for providing amenities for Government servants and expenditure on such an object requires the sanction of the Secretary of State.

(A R Vol IX—54) (Files No 790-A. & A. of 1920 and No 62-Code of 1927.)

(9)

Canon 4.—Expenditure on the Boy Scout movement is in pursuance of a recognised policy.

Terms of Reference.—It is proposed to place Mr. ——, I. E. S., on special duty as Provincial Scout Commissioner for two years in the first instance on his salary (Rs. 1,000) under the time-scale with deputation allowance and the usual travelling allowance, to carry out certain work for the development of the Boy Scout movement in the. . Presidency. The question for consideration is whether the proposal requires the sanction of the Secretary of State.

Auditor General's decision.—As the proposed expenditure is of an unusual nature and may lead to other administrations incurring similar expenditure, which may ultimately exceed what may be sanctioned by the Government of India, I am of opinion that the sanction of the Secretary of State is necessary under Rule III (1) of the Main Audit Resolution.

Later.—It has since been held that expenditure on the Boy Scout movement is recognised as in pursuance of a recognised policy.

(A R Vol IX—48) (Files No. 797-A. & A. of 1920 and No 62-Code of 1927.)

(10)

Canon 4.—A compassionate gratuity of Rs 5,000 to a Russian Photographer who was interned as a German and owing to his own deliberate misstatement and thus lost his business was an unusual payment.

Terms of Reference.—Mr. —— did business as a photographer at —— and was interned in 1919 as he was believed to be a German. His real nationality, which is Russian, has been recently admitted and he has been permitted to reside in India. He does not really deserve any compensation as his internment was due to his own deliberate statement that he was born of German parent which he made in order to obtain naturalisation. Having regard to the fact, however, that he has a British wife, it is proposed to grant Rs. 5,000 to save them from actual destitution. The question for

consideration is whether the grant can be sanctioned by the Government of India, subject to a report to the Secretary of State, or whether his previous sanction is necessary.

Auditor General's decision.—The previous sanction of the Secretary of State is necessary in this case, *vide* paragraph 2, Rule IX and Rule III (1) of the Main Audit Resolution, as the compensation is not due and the payment is unusual.

(A. R. Vol. IX—56.) (Files No 51-A. & A. of 1921 and No. 62-Code of 1927.)

(11)

Canon 4.—The grant of compensation to a contractor for loss of money when a Public Works Department Duffadar, deputed to encash his cheque, was robbed and murdered, was " unusual ".

Terms of Reference.—A contractor for the Irrigation Department at Paharpur, Dera Ismail Khan, received a cheque for Rs. 4,581-2-0 from the Public Works Department Sub-Divisional Officer in part payment of his dues. He was, however, not allowed by the Sub-Divisional Officer to proceed to Dera Ismail Khan to encash the cheque, as his presence at the site of the work was necessary to complete it by the date on which the Canal was to be opened. He, therefore, handed over the cheque for encashment to the Public Works Department Daffadar who was being despatched with a Police escort to the Headquarter Treasury by the Sub-Divisional Officer for encashment of his bills amounting to Rs. 2,847-6-2. The Daffadar encashed both the Sub-Divisional Officer's bills and the contractor's cheque but was murdered in Dera Ismail Khan and robbed of all the money. The Government money has been written-off by the North-West Frontier Administration under Article 279, Civil Account Code, 7th Edition The contractor has, however, put forward a claim for the amount of the cheque and it has been decided by the Government of India to pay it as a matter of grace, because if contra [illegible] with some liberality i [illegible] done there. The point [illegible] the Secretary of State is necessary as the payment is of an unusual nature and if it is necessary, whether the sanction can be anticipated so that there may not be further delay in settling the claim which is already outstanding for a long time.

Auditor General's decision.—The sanction of the Secretary of State is necessary to this unusual payment and I do not see sufficient ground for making payment without previous sanction.

(A. R. Vol. IX—64) Files No. 107-A. & A of 1921 and No. 62-Code of 1927.)

(12)

Canon 4.—Expenditure on the erection of memorials to the officers of a Department who lost their lives in the War, does not

require the sanction of the Secretary of State under the New Audit Resolution.

Terms of Reference.—It is proposed to erect two Memorial Tablets to the officers of the Posts and Telegraphs Department, who lost their lives in service during the war, at a cost of Rs. 3,100. The question for decision is whether the expenditure requires the sanction of the Secretary of State, under the rules embodied in the New Audit Resolution.

Auditor General's decision.—The sanction of the Secretary of State in Council is not necessary.

(A. R. Vol. X—1.) (Files No. 161-A. & A. of 1921 and No. 63-Code of 1927.)

(13)

Canon 4.—When the Secretary of State has already accepted the policy of maintaining the gardens attached to leased houses in Delhi at Government expense, an increase in the cost of such maintenance does not contravene canon 4 of the Canons of Financial Propriety.

Terms of Reference.—The Secretary of State in his telegram, dated the 25th June 1914, sanctioned the expenditure of Rs. 2,500 per annum for maintaining gardens and grounds attached to leased houses in Delhi. The Government of India in their Public Works Department despatch No. 1, dated the 5th February 1919, represented to the Secretary of State that this amount was inadequate for 27 leased houses and that Rs. 4,200 per annum, *i.e.*, Rs. 22 a month per house was necessary for the purpose. It was also mentioned in the same despatch that some of the houses might be given up by 1920 and then the question of reducing this annual grant would be considered. This was sanctioned by the Secretary of State in his despatch No. 14-P. W., dated the 3rd April 1919. The number of leased houses has now been reduced to 20, but the Chief Commissioner, Delhi, represents that no reduction in the annual [illegible] ease of labour rates it is not possible [illegible] unds attached to each house at less [illegible] question for consideration is if a reference to the Secretary of State is necessary under the new Audit Resolution.

Auditor General's decision.—The Secretary of State has already accepted the policy of keeping the gardens attached to leased houses at Government expense. In 1921-22, owing to rise in prices of labour the cost will be a little more than previously. I do not think that a reference to the Secretary of State is necessary in this case.

(A. R. Vol. X—2) (Files No. 184-A. & A. of 1921 and No. 63-Code of 1927.)

(14)

Canon 4.—Supply of arms to certain Government officials for
Page 71—

Insert the following as Audit Ruling No. 14-A under the heading "Canon 4" in Section III:—

Propriety or otherwise of expenditure on communal cemeteries.

Terms of Reference.—Some expenditure was incurred in connection with the provision of cemeteries for different communities in New Delhi which was charged to the New Capital Project. The question arose whether the expenditure did not involve a breach of the fourth canon of financial propriety.

Auditor General's decision.—In laying out a new city, the provision of communal accommodation for the disposal of the dead is not expenditure in the interests of particular communities. It is clearly in the interests of the public of the city at large that such disposal should be effected in suitable localities and under conditions consistent with sanitary considerations. The provision of different areas for followers of different religions is an obvious necessity, and does not bring the case within the purview of canon 4 of financial propriety.

The interests of the public in general do not, however, demand more than that suitable sites should be prepared and set apart for communal cemeteries; and in "preparation", for this purpose, I should be prepared to include the cost of enclosure.

The erection of any sort of building, whether for ceremonial or other purposes, upon a site should, however, naturally be a matter for the community concerned. If, therefore, it is proposed to erect any such structure in a case not governed by a "recognised policy", a breach of the fourth canon of financial propriety is involved; and the same would apply to any expenditure other than that on the mere preparation of the site.

(Compilation of Audit Rulings, No. 3, dated 1st October 1929.)

State or of the Government of India is not necessary.

(A. R. Vol. X—4.) (Files No. 196-A. & A. of 1921 and No. 63-Code of 1927.)

(16)

Canon 4.—Grants from public revenues to assist the Boy Scout Movement are in pursuance of a recognised policy, and hence regular.

Terms of Reference.—The question under reference is whether the Government of India or the Local Governments are competent to make money grants from public revenues to assist the Boy Scout movement.

Auditor General's decision.—The attitude of the Government of India towards the movement has been set forth in their Education Department letter No. 260, dated the 22nd March 1917. The expenditure might be recognised as being in pursuance of a recognised policy. No reference to the Secretary of State is necessary.

(A. R Vol X—9) (Files No 201-A. & A. of 1921 and No. 63-Code of 1927.)

(17)

Canon 4.—The question whether the financing by Government of an Army Canteen Board in India is *ultra vires* of Section 20 of the Government of India Act, is a legal one, on which audit should not express an opinion.

Considerable expenditure on an Army Canteen Board, if actually incurred, would offend a canon of financial propriety

Terms of Reference.—It is proposed to start an Army Canteen Board in India, which will be the sole source of supply, not only of personal necessities, luxuries, foods, drink, etc., but also of the groceries, tinned foods, and other articles, purchased out of the cash ration allowance, which are required in connection with the daily messing of the men of the Army in India The Board shall be incorporated as a company not trading for profit and limited as to its liabilities by Government guarantee. The capital, which will be required from time to time, will be provided by the Government of India guaranteeing overdrafts on the Imperial Bank of India The questions for decision are:—

(1) If under the guarantee, which it is proposed to give, the Government of India were called upon to incur any expenditure would such expenditure be *ultra vires* of section 20 of the Government of India Act, which restricts the application of the revenue of India to the purposes of the Government of India alone?

(2) If such expenditure were incurred, would it offend one of the canons of financial propriety set out in rule 10 of the Auditor General's Rules?

Auditor General's decision.—The first question involves the interpretation of an Act and an authoritative decision could be given only by a Court of Law. Thus while it is undoubtedly a function of audit to raise the question, the Auditor General would never express an opinion on that point without first consulting the Legislative Department inasmuch as the question is one of legal interpretation. If the question at issue were of grave importance, the Auditor General would no doubt reserve to himself the right, if he did not fully agree with the opinion of the Legislative Department, to request that the opinion of the Law Officers of the Crown in England should be obtained or that an authoritative decision should

be obtained from the Courts of Justice by means of a friendly suit in some form or another. In the present case, the Legislative Department of the Government of India expresses the opinion that if expenditure were incurred under the guarantee it would be *intra vires* of the Act. I am prepared to accept that opinion in audit, and, if I may venture to say so, I am in entire agreement with it.

The question whether such expenditure if incurred would offend a canon of propriety will not arise until the expenditure is actually incurred. It is impossible for me of course at present to make any promise as to the manner in which audit would view such expenditure when incurred with reference to the canons. The action of audit would have to be determined with reference to the facts as presented to the audit at the time. The actual sum to be paid in any year on account of the liability of Government might be trivial and due to temporary causes. In such a case audit would probably exercise a wise discretion in making no comment. On the other hand, the conditions might warrant a belief that Government might be called upon year by year to meet a constantly increasing sum under the guarantee unless the Board took active steps to increase the efficiency of its administration and (or) increase the prices of some or all the commodities sold. If such conditions were to arise, I should certainly regard it as the duty of audit to comment on the expenditure so that the Legislative Assembly might have an opportunity of commenting on the desirability of using the money in that way.

Audit will certainly raise no objection if the guarantee is given. If, however, a time were to come when there were a serious probability that considerable expenditure might have to be incurred in pursuance of the guarantee, the actual expenditure incurred ought to be brought to the notice of the Legislative Assembly so that it might have the right to frame its own opinion as to the desirability of incurring the expenditure and of retaining or withdrawing the guarantee.

(A. R. Vol. X—11) (Files No. 329-A. & A. of 1921 and No. 63-Code of 1927.)

(18)

Canon 4.—The grant of a compensation to a contractor for unforeseen loss in the manufacture of bricks for Government use, is covered by the Secretary of State's authority to the Government of India to meet trading losses without reference to him, and does not, therefore, offend the 4th Canon of Financial propriety.

Terms of Reference.—A contractor was ordered by the Assistant Commanding Royal Engineer, C—— District, to mould and burn bricks in stock which were urgently required to push on with the construction of a work. Owing to heavy rains there was considerable damage to the bricks and the contractor suffered a heavy

loss. The Government of India have sanctioned Rs. 15,000 to compensate him for the loss as he tried his best to supply bricks under the most unfavourable circumstances. The question for consideration is whether the Government of India are competent to sanction the compensation or a reference to the Secretary of State is necessary.

Auditor General's decision.—This case is covered by the Secretary of State's Despatch No. 18-Rev., dated the 17th February 1921 (communicated to the Accountants General with the Government of India, Finance Department, endorsement No. 720-F. E., dated the 10th June 1921), as the circumstances are in many respects similar to those detailed in the Government of India, Department of Industries Despatch No. 13, dated the 4th November 1920, on which the orders of the Secretary of State were based. Sanction of the Secretary of State is therefore not necessary.

(A. R. Vol. X—15.) (Files No. 372-A. & A. of 1921 and No. 63-Code of 1927.)

(19)

Canon 4.—The proposal to write off an amount advanced to the owners of wolfram mines in Burma was " unusual and outside the course of administration " and would have required the Secretary of State's sanction under the old rules if the circumstances had not been known to him.

Terms of Reference.—In order to meet the demand of the Ministry of Munitions for an increased production of wolfram the Government of India authorised the Burma Government to make advances to the wolfram mine owners in Burma to meet the cost of importation of Chinese coolies for employment on the mines. The advances were to be recovered in full. As however the Chinese labour proved to be unsatisfactory and the mine owners did not get the full returns of money expended by them on the importation of the coolies, the Burma Government propose to recover only one half of the cost involved in the importation of the Chinese labour and to write off the balance Rs. 1,01,372 against Provincial Revenues. The question for decision is whether the sanction of the Secretary of State is necessary in this case.

Auditor General's decision.—The charge is to be against the Provincial Revenues of Burma and the rules of the old Main and Provincial Audit Resolutions apply. Therefore the question is whether the expenditure is unusual or outside the course of administration. It is both but the Secretary of State was fully cognisant that labour problems were involved. It is mentioned in paragraph 7 of Vice Admiral's first memorandum dated the 31st July 1915. The Secretary of State in his telegram P. No. 1433, dated the 2nd September 1915, refers to the need of increasing labour supply and of organising arrangements dealing with labour. In the Viceroy's telegram P. No. 1130, dated the 6th October 1915, the Secretary of

State was told that there might be initial outlay on recruitment of coolies. I do not regard his sanction as necessary.

(A. R. Vol. X—22.) (Files No. 511-A. & A. of 1921 and No. 63-Code of 1927.)

(20)

Canon 4.—Propriety of provision of furniture for a Government bungalow for a General Officer Commanding, should depend on funds being available, and is therefore, an administrative question

Terms of Reference.—A General Officer Commanding purchased certain articles of furniture at a cost of Rs. 8,531. He then requested the Government of India to take over articles to the value of Rs 8,000 for furnishing the bungalow provided for him and to recover rent therefor at the rate of 10 per cent. on the capital cost The question for consideration was whether the sanction of the Secretary of State was necessary to the proposed arrangement.

Auditor General's decision.—On the recommendation of the Esher Committee the Government of India in paragraph 22 of their Army Department despatch No. 32, dated 31st March 1921, recommended to the Secretary of State that furniture should be supplied and kept up in all Government quarters and hire be charged at 10 per cent. of the original value. This recommendation was subsidiary to the primary recommendation regarding assessment of rent of quarters.

2. The Secretary of State's reply on both these points is contained in paragraph 4 of his No. 41-Military, dated 21st July 1921 and is given broadly in respect of the question of building quarters. It contained first a warning that Government are already committed heavily in respect of hospitals and lines and suggested that building of quarters should for these reasons proceed as funds become available.

3. Provision of furniture against a capital outlay by Government is yet again subsidiary to both the above and it must stand to reason that such outlay should only be incurred if Government are satisfied that they have funds to spare after allowing for expenditure—

(1) on hospitals and lines,

(2) on building of quarters for the actual housing of officers.

It is for the Government of India to decide if funds are really available.

(A. R. Vol. XI—4.) (Files No. 50-A. & A. of 1922 and No. 64-Code of 1927.)

(21)

Canon 4.—Payment for special nursing to a temporary engineer, which is not covered by the terms of his contract, involves a breach of the 4th canon of Financial Propriety.

Terms of Reference.—Mr. M.——by reason of serious illness while in the service of Government was taken to Hospital. No private nurses were available on the staff so nurses had to be obtained from outside and subsequently the Hospital authorities preferred bills of charges aggregating Rs. 1,304 on account of nursing services rendered to the officer. The question referred to the Auditor General was whether it was within the competence of the Local Government to sanction the payment of this charge in view of the fact that under his contract with the Secretary of State Mr. M. ——was entitled only to free medical attendance and free medicines according to this scale authorised by the Government of India and that special nursing was not covered by the agreement.

Auditor General's decision.—Under the audit resolution the proposed expenditure does not require the sanction of the Secretary of State. It involves, however, a breach of the fourth canon of financial propriety. The Finance Department of the Local Government may, nevertheless, incur the expenditure provided it is prepared to report the matter to the Public Accounts Committee under the second sub-paragraphs of rule 14 of the rules framed by the Secretary of State under 96-D (1) of the Government of India Act.

(A R Vol XI—14) (Files No 254-A & A of 1922 and No 64-Code of 1927)

(22)

Canon 4.—Inclusion in the Schedule of Powers of the Railway Board of power to sanction the construction of a swimming bath, proves such construction to be part of recognised policy.

Terms of Reference.—It is proposed to make certain additions and alteratio[illegible] station for the use c[illegible] Rs. 10,186. Item [illegible] Board empowers th[illegible] the question for decision is whether the power can now be exercised in view of canon 4 of the canons of financial propriety appearing as rule 10 (4) of Appendix I to the Audit Code in which it is laid down that Government revenues should not be utilised for the benefit of a particular person or section of a community (with certain exceptions).

Auditor General's decision.—Item 381 in the schedule which has been sanctioned by the Secretary of State gives the Railway Board powers to incur this expenditure. This is obviously a recognition of a policy or custom within the meaning of canon 4 and no objection can be raised on this point. But the general question whether the creation of swimming baths should be encouraged at the present juncture when the net receipts from Railways do not cover the interest charges, etc., is a matter for consideration by the sanctioning authority.

(A. R. Vol. XII—4) (Files No. 127-A. & A. of 1923 and No. 65-Code of 1927.)

Canon 5.—A temporary circle which will, later on, almost certainly require an additional Superintending Engineer should be sanctioned by the Secretary of State.

[*See* Section II (*a*), ruling 1 relating to N A R. (Central) rule 1 (1).]

(Files No 535-A & A of 1917 and No 59-Code of 1927.)

SECTION III-A.—AUDIT RULINGS RELATING TO UNUSUAL EXPENDITURE.

(1)

M. A. R. of 1918—" Unusual ".—Expenditure on the conversion of a Dak Bungalow into a Hotel is unusual.

Terms of Reference.—A building was constructed in 1904 to take the place of the old dak bungalow in Shillong, but to be leased to a manager to serve as the nucleus of a hotel, at a cost of about Rs. 45,000. Subsequent additions and alterations to the building and the purchase of necessary furniture for the hotel involved a further expenditure of Rs. 18,381. The question for decision was whether this expenditure required the sanction of the Secretary of State.

Comptroller General's decision.—The provision of accommodation for travellers in India has been an act of merit on the part of private persons, and an act of duty on the part of Government from time immemorial This has resulted in the numerous Government and District Board dak bungalows scattered throughout India. But these dave been reserved for the use of *bonâ fide* travellers as opposed to sojourners by the rule that a new comer can displace an occupant who has been there more than 24 hours. Thus the rules in Bengal on the subject are:—

Every traveller can claim shelter for 24 hours in a staging bungalow.

No one can claim shelter in a staging bungalow for more than 24 hours; after the expiration of that period a traveller is bound to remove, if required to do so by the khidmatgar on account of another traveller, or by the officer in charge of the bungalow.

No such rules existed in the case of the Shillong hotel, and it was not one of the conditions on which the Local Government were willing to grant a new lease, and the Local Government admitted that no lessee could be found for the hotel if such rules were forced upon him. The Government of India has admitted this essential difference between a hotel and a dak bungalow, for the Government of India in letter No. 1041-B., dated 12th May 1908, laid down that the building could not be regarded as an ordinary rest house and that therefore the sanction of the Government of India would be necessary to any future expenditure on an original supply of furniture.

To build a house to be used as a hotel instead of as a dak bungalow involves the incurring of expenditure of an unusual nature on

an object outside the ordinary work of administration. This building was never used as a dak bungalow: it had been a hotel from its inception The whole of the expenditure on it therefore required the sanction of the Secretary of State.

(A D. 8 of 12-13.) (Files No. 829-A & A. of 1911 and No. 50-Code of 1927.)

(2)

M. A. R. of 1918—" Unusual ".—Expenditure on the provision and upkeep of recreation grounds for the general public is not unusual. Similar expenditure on grounds reserved for polo and handed over to a private club is unusual.

Terms of Reference.—The Coronation Durbar Committee prepared Polo grounds for use during the Durbar and erected certain pavilions alongside them.

The Director of Temporary Works (*a*) erected fencing round the grounds, (*b*) maintained them in a suitable condition for Polo grounds, (*c*) took over from the Durbar Committee the pavilions at a valuation, and (*d*) made certain additions and alterations to the pavilions

The question for decision was whether this expenditure required the sanction of the Secretary of State under rule III (1) of Article 277, Civil Account Code, 7th Edition (Reprint) as being of an unusual nature or devoted to objects outside the ordinary work of administration.

Comptroller General's decision.—The Public Works Department asserted that such sanction was not necessary because the Government of India had sanctioned in the past, with the concurrence of the Comptroller General, expenditure on improving the Oval in Bombay for use as a recreation ground, and on the provision of a public recreation ground in Nagpur. Precedents cannot be numerous, because the necessity for recreation grounds rarely arises outside large towns, and in them the duty of providing such grounds rest primarily on the Municipality. In these precedents there were special reasons for retaining the land under Government, and it was held that in those circumstances, it was a legitimate duty of Government to provide recreation grounds. But it was clearly understood that they should be for the use of the general public; (see paragraph 5 of Bombay Government's letter No. 2125-C. W., dated the 2nd September 1903).

It seemed possible to state clearly the principles by which such questions could be decided. If the provision of recreation grounds for the general public will conduce to their health, then such provision may be regarded as a duty of Government. This condition is fulfilled ordinarily only in a large town, and by law the duty of providing recreation grounds in such towns usually devolves on the Municipality. There may be instances, however, where it is desir-

able to retain the grounds under Government and in such cases expenditure by Government is permissible. But the expenditure must be for the general public and must not be excessive. The former assertion is based on Rule III (1) (*b*) of Article 277, Civil Account Code, 7th Edition (Reprint) for it is outside the ordinary work of administration to maintain recreation grounds which are not open to all. The latter is supported by Article 732 (*b*), Civil Account Code, 7th Edition (Reprint) read with Article 277 (4), Civil Account Code, 7th Edition (Reprint).

In the present case, there was no statement supporting the view that the grounds were to be open to all. On the contrary, it appeared that the grounds were to be made over to a Gymkhana Club, in which case they would essentially be private. Again expenditure on pavilions may be necessary for a private club but not for the general public; again Polo is a game for the privileged few, and expenditure incurred on maintaining grounds fit for polo would probably be greater than would be necessary for the maintenance of the grounds so as to render it possible to play games more suitable for the general public

What evidence there was on the subject indicated that the grounds would not be for the use of the general public, and expenditure had been incurred which would be unnecessary were the grounds to be used by all. It was held, therefore, that the expenditure in question required the sanction of the Secretary of State.

(A. D. 14 of 12-13.) (Files No. 137-A. & A. of 1912 and No. 50-Code of 1927.)

(3)

M. A. R. of 1918—" Unusual ".—*Expenditure for the improvement of countrybred horses or on grant of prizes for races open only to country-breds is not unusual.*

Terms of Reference.—It was proposed that an annual contribution of Rs 10,000 should be made by Government for 3 or 4 years in connection with a scheme for the improvement of the breed of country-bred horses, and the question arose whether the payment of money for racing stakes for country-bred races would be objected to by the Auditor as " unusual."

It appeared that certain races are supported by the English Government, as also by the Governments of France, of Germany, and of other countries.

Comptroller General's decision.—In view of the expenditure sanctioned by the Home Exchequer it was held that the proposed expenditure was not unusual or outside the ordinary objects of the Administration, if the Government of India decided that the grant of such prizes for horse-racing would improve the breed of horses in India.

(A. D. 15 of 12-13.) (Files No. 291-A. & A. of 1912 and No. 50-Code of 1927.)

(4)

M. A. R. of 1918—" Unusual ".—The maintenance charges of a garden attached to a residential building while it is occupied, are unusual expenditure.

Terms of Reference.—In 1891 the Government of India agreed to the rent of the Government Bungalow at Bankipore, which is occupied by the local Collector, being fixed at Rs. 146 per mensem, Government paying the garden establishment on the ground that at Bankipore it was customary for the landlord to pay the charge In 1911, an addition was made to paragraph 917 of the Public Works Department Code, Volume I, 9th Edition laying down that the State does not undertake to maintain gardens attached to Government residential buildings other than those occupied by His Excellency the Viceroy and Heads of Local Governments and Administrations (Standing Order No 292, dated 12th October 1911). The question for decision was whether this rule was to be interpreted as cancelling the special arrangement sanctioned in 1891 in respect of the Bankipore Collector's house and as such requiring the sanction of the Secretary of State to the payment of the garden establishment by Government.

Comptroller General's decision.—The sanction of the Secretary *of State is required to expenditure of an unusual nature or devoted* to objects outside the ordinary work of administration.

If a house belongs to Govenment and is of such a magnitude that it would ordinarily have attached to it a well-kept garden, it can hardly be regarded as unusual if expenditure is incurred to maintain the garden while the house is vacant. But while the house is occupied, the maintenance of the garden devolves on the occupier, and the acceptance of that duty by the State would lead to unusual expenditure.

If, however, in the present case the Government of India would agree to allow the practice to continue until a change of incumbents took place and to withdraw the concession when the present occupant vacated the house, no immediate reference to the Secretary of State was necessary

(A D 45 of 12-13) (Files No 313-A & A. of 1912 and No 50-Code of 1927.)

(5)

M. A. R. of 1918—" Unusual ".—Expenditure from public funds on pictures for the residences of Heads of Provinces is unusual.

Terms of Reference.—Prior to removal to Delhi and Simla, some pictures from Government House, Calcutta, were sent to England for renovation. [illegible]
of some of these pictures, [illegible]
pared at the cost of the [illegible]

decision was whose sanction was necessary to the expenditure being incurred.

Comptroller General's decision.—For the purpose of sanction these reproductions must be regarded as new pictures.

The existing orders as regards expenditure are those contained in the Government of India, Home Department Resolution Nos. *490-499*, dated *1st* March *1904*, which issued on the Secretary of State's despatch No. 34-Public, dated 27th March 1903. This was a reply to Government of India, Finance Department despatch No. 316, dated 30th October 1902, which suggested to the Secretary of State certain rulings based on the Report of the Furniture Committee, dated 3rd April 1902.

Paragraph 6 of that Report stated that pictures, etc., which depended entirely on the taste of the incumbent, were not included as furniture. This was agreed to in the notes in the Government of India. It was nowhere expressly mentioned in the despatch to the Secretary of State that pictures were excluded, but the despatch nowhere suggested any disagreement with the report on this point, and the report apparently went to the Secretary of State.

It seemed clear, therefore, that the latest orders which had been issued under instructions from the Secretary of State were to the effect that pictures should be purchased by the incumbent. Any expenditure, therefore, by the State on new pictures for residences of Heads of Provinces must be regarded as unusual and as requiring the sanction of the Secretary of State.

It was pointed out that assuming that these pictures were required for the public service, they should have been obtained through the India Office (Rules 3 and 7 appended to Government of India, Commerce and Industry Department Resolution No. 6847-6892-33, dated 12th September 1912).

(A. D 40 of 12-13.) (Files No. 361-A. & A. of 1912 and No. 50-Code of 1927.)

(6)

M. A. R. of 1918—" Unusual ".—Expenditure incurred by the Political Resident, Aden, for conveying certain pilgrims from Aden to the Hedjaz, was unusual.

Terms of Reference.—During the pilgrim season in 1911 the s. s. *Narkoowa*, one of the ships belonging to the Bombay and Hedjaz Steam Navigation Company, left Bombay with 460 pilgrims on board, arriving at Aden on 15th November 1911. The Master of the vessel reported to the Port Officer, Aden, that as the repairs to her crank pin, which had been executed in Bombay, had given way, it was not safe for her to proceed further on her voyage, and asked to be allowed to stay in port until fresh repairs had been carried out These were completed on 17th November 1911, and the vessel left that day at 3-30 A.M. for Camaran and Jeddah.

On the same day, however, at 2-40 P.M. the Narkoowa returned to Aden as the pin had again worked loose. It was then found that temporary repairs were of no avail and that a new crank pin must be obtained from Bombay. As this would cause delay and the season for performing the Haj was drawing to its close, the Master of the vessel induced the agents of the Company at Aden to telegraph to the owners in Bombay for another ship to take the pilgrims on to Camaran But as day after day passed by and no arrangements were apparently being made by the owners to provide another ship, the pilgrims grew mutinous, and it was found extremely difficult to keep them under control and to prevent a violent outbreak among them.

In this critical state of affairs the Political Resident considered it absolutely necessary to take the matter into his own hands, and to make arrangements for sending on the pilgrims to their destination without further delay. He accordingly chartered the s s. *Husseini* belonging to the Bombay and Persia Steam Navigation Company, and the pilgrims eventually sailed for Camaran on 21st November 1911. Even then they would not have reached their destination in time for the *Haj* but for the concession made by the Turkish authorities in relaxing the quarantine regulations at Camaran.

The cost of chartering the *Husseini* amounted to Rs. 7,000, and this sum was paid by Government to its owners pending its recovery from the owners of the *Norkoowa*. The latter, however, repudiated the claim on the ground that at the time of the chartering of the *Husseini* they had already arranged for the conveyance of the pilgrims from the *Norkoowa* on the ss. *Fakhri*, and that the Political Resident had no authority to charter the *Husseini* without consulting them.

Now, on the 21st November 1911 when the Political Resident, Aden, gave the final order for the *Husseini* to sail with the pilgrims of the *Norkoowa*, he held a letter from the agents at Aden for the latter steamer informing him that the *Fakhri* would arrive the next day.

The *Fakhri*, as it turned out, did not arrive till the 24th November, *i.e.*, two days after the date on which her arrival had been promised.

The question was whether the expenditure which was incurred by the Resident at Aden in the circumstances could be considered to be of an unusual nature.

Comptroller General's decision.—It is a recognised function of Government to maintain law and order. The Political Resident was of opinion that the pilgrims were growing mutinous, and that in order to avoid any outbreak the only way by which law and order could be maintained was to send them in another boat as quickly as

decision was whose sanction was necessary to the expenditure being incurred.

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In this critical state of affairs the Political Resident considered it absolutely necessary to take the matter into his own hands, and to make arrangements for sending on the pilgrims to their destination without further delay. He accordingly chartered the s.s. *Husseini* belonging to the Bombay and Persia Steam Navigation Company, and the pilgrims eventually sailed for Camaran on 21st November 1911. Even then they would not have reached their destination in time for the *Haj* but for the concession made by the Turkish authorities in relaxing the quarantine regulations at Camaran.

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In this critical state of affairs the Political Resident considered it absolutely necessary to take the matter into his own hands, and to make arrangements for sending on the pilgrims to their destination without further delay. He accordingly chartered the s.s. *Husseini* belonging to the Bombay and Persia Steam Navigation Company, and the pilgrims eventually sailed for Camaran on 21st November 1911. Even then they would not have reached their destination in time for the *Haj* but for the concession made by the Turkish authorities in relaxing the quarantine regulations at Camaran.

The cost of chartering the *Husseini* amounted to Rs. 7,000, and this sum was paid by Government to its owners pending its recovery from the owners of the *Norkoowa*. The latter, however, repudiated the claim on the ground that at the time of the chartering of the *Husseini* they had already arranged for the conveyance of the pilgrims from the *Norkoowa* on the ss. *Fakhri*, and that the Political Resident had no authority to charter the *Husseini* without consulting them.

Now, on the 21st November 1911 when the Political Resident, Aden, gave the final order for the *Husseini* to sail with the pilgrims of the *Norkoowa*, he held a letter from the agents at Aden for the latter steamer informing him that the *Fakhri* would arrive the next day.

The *Fakhri*, as it turned out, did not arrive till the 24th November, *i.e.*, two days after the date on which her arrival had been promised.

The question was whether the expenditure which was incurred by the Resident at Aden in the circumstances could be considered to be of an unusual nature.

Comptroller General's decision.—It is a recognised function of Government to maintain law and order. The Political Resident was of opinion that the pilgrims were growing mutinous, and that in order to avoid any outbreak the only way by which law and order could be maintained was to send them in another boat as quickly as

decision was whose sanction was necessary to the expenditure being incurred.

Comptroller General's decision.—For the purpose of sanction these reproductions must be regarded as new pictures.

The existing orders as regards expenditure are those contained in the Government of India, Home Department Resolution Nos. 490-499, dated 1st March 1904, which issued on the Secretary of State's despatch No. 34-Public, dated 27th March 1903. This was a reply to Government of India, Finance Department despatch No. 316, dated 30th October 1902, which suggested to the Secretary of State certain rulings based on the Report of the Furniture Committee, dated 3rd April 1902.

Paragraph 6 of that Report stated that pictures, etc., which depended entirely on the taste of the incumbent, were not included *as furniture. This was agreed to in the notes in the Government* of India. It was nowhere expressly mentioned in the despatch to the Secretary of State that pictures were excluded, but the despatch nowhere suggested any disagreement with the report on this point, and the report apparently went to the Secretary of State.

It seemed clear, therefore, that the latest orders which had been issued under instructions from the Secretary of State were to the *effect that pictures should be purchased by the incumbent. Any* expenditure, therefore, by the State on new pictures for residences of Heads of Provinces must be regarded as unusual and as requiring the sanction of the Secretary of State.

It was pointed out that assuming that these pictures were required for the public service, they should have been obtained through the India Office (Rules 3 and 7 appended to Government of India, Commerce and Industry Department Resolution No. 6847-6892-33, dated 12th September 1912).

(A. D. 40 of 12-13.) (Files No. 361-A. & A. of 1912 and No. 50-Code of 1927.)

(6)

M. A. R. of 1918—" Unusual ".—Expenditure incurred by the Political Resident, Aden, for conveying certain pilgrims from Aden to the Hedjaz, was unusual.

Terms of Reference.—During the pilgrim season in 1911 the s. s. *Narkoowa*, one of the ships belonging to the Bombay and Hedjaz Steam Navigation Company, left Bombay with 460 pilgrims on board, arriving at Aden on 15th November 1911. The Master of the vessel reported to the Port Officer, Aden, that as the repairs to her crank pin, which had been executed in Bombay, had given way, it was not safe for her to proceed further on her voyage, and asked to be allowed to [illegible]
These were com[illegible]
that day at 3-30 [illegible]

On the same day, however, at 2-40 P.M. the Narkoowa returned to Aden as the pin had again worked loose. It was then found that temporary repairs were of no avail and that a new crank pin must be obtained from Bombay. As this would cause delay and the season for performing the Haj was drawing to its close, the Master of the vessel induced the agents of the Company at Aden to telegraph to the owners in Bombay for another ship to take the pilgrims on to Camaran. But as day after day passed by and no arrangements were apparently being made by the owners to provide another ship, the pilgrims grew mutinous, and it was found extremely difficult to keep them under control and to prevent a violent outbreak among them.

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The question was whether the expenditure which was incurred by the Resident at Aden in the circumstances could be considered to be of an unusual nature.

Comptroller General's decision.—It is a recognised function of Government to maintain law and order. The Political Resident was of opinion that the pilgrims were growing mutinous, and that in order to avoid any outbreak the only way by which law and order could be maintained was to send them in another boat as quickly as

possible. Whether he was justified in his opinion it was impossible to say; only those who were on the spot could estimate exactly the difficulty of the situation. The Bombay Government pointed out that the success of a civil suit was doubtful, because, at the moment when the Political Resident gave the order for the steam boat which he had chartered to sail, he had with him a notification that another steam boat chartered by the Company would be at Aden the following day. But this fact was not of equal importance in discussing whether it was necessary, in the interest of law and order, for the pilgrims to sail on that particular day. The Political Resident undoubtedly had to exercise his discretion, and from this point of view it was relevant that the boat *Fakhri* which the Company had stated would arrive the following day did not arrive until the third day He might have had good reasons to suspect that the information given to him was incorrect, as it eventually turned out to be.

It might be argued that the Political Resident might have adopted other plans of a less unusual nature in order to avert the danger, but this was not relevant in discussing whether the expenditure incurred was unusual or not. There was no doubt as to the *bonâ fide* of the Political Resident's action, and from the point of view of the necessity of sanction it was unnecessary to determine whether the course adopted was the best that could have been followed under the circumstances, and it was quite impossible for anybody who was not at Aden at the moment to say what was the best course to adopt. Seeing that the expenditure was incurred solely with a view to the maintenance of law and order it was held that the expenditure was not of an unusual nature within the meaning of the despatch of the Secretary of State. What had to be interpreted with reference to this despatch was the intention of the Secretary of State with which the despatch was drafted, and in many matters it is very difficult to understand the real intention underlying the despatch. That intention can be ascertained only by the answers given by the Secretary of State in respect of difficult cases sent to him for decision, and it was suggested that in the present case the Secretary of State should be informed of the decision given above so that he may have an opportunity of saying whether he agrees with it or not.

(In his despatch No. 4 Revenue, dated 17th January 1913, the Secretary of State ruled that the expenditure was of an unusual nature within the meaning of Rule III (1) of the Audit Resolution and required his sanction, which was accorded.)

(A. D. 47 of 12-13) (Files No. 373-A. & A. of 1912 and No. 50-Code of 1927.)

(7)

M. A. R. of 1918—" Unusual ".—Expenditure on enlarged photographs of high officials is not unusual.

Terms of Reference.—The question for decision is, whether the expenditure from Public Revenues of the cost of an enlarged photograph of a Joint Secretary and Chief Engineer to the Government of Burma, requires the sanction of the Secretary of State.

Comptroller General's decision.—Rule III (1) of the Audit Resolution requires the sanction of the Secretary of State to any expenditure of an unusual nature or devoted to objects outside the ordinary work of administration. The view urged by the Finance Department is that such photographs may be regarded as furniture and that the purchase by Government of the furniture of a room is neither unusual, nor outside the ordinary object of administration. I think that, if due consideration be paid to the circumstances of each case, this view may be accepted. It is not every officer whose status is such that his room requires ornamentation by photographs and whose appearance is such that his photograph will provide the requisite embellishment. If it were considered desirable to draw up a detailed list of such officers, I would suggest that use should be made of the distinction which was drawn by Mr.——, when a detailed list of heads of departments was under consideration, between the major and minor prophets,—possibly the major prophets and officers of a still higher rank might come into that list, if the Government wished to prepare one. I doubt, however, whether such action is necessary. I think the end can be attained by the circulation of this decision to Audit Officers if Government be prepared to acquiesce in it.

In one case in which this subject came under consideration, it was suggested that it would not be reasonable to buy at public expense a portrait by Herkomer. In such a case the Audit Officer would be justified in taking action under Article 732 (*b*), Civil Account Code, 7th Edition (Reprint) which lays upon him the duty of seeing that the expenditure is not greater than the occasion demands.

In the present case I think that it is unnecessary to obtain the sanction of the Secretary of State.

(A. D. II—9.) (Files No. 150-A. & A. of 1913 and No. 51-Code of 1927.)

(8)

M. A. R. of 1918—" Unusual ".—Expenditure on friendly gatherings of teachers of Government schools and parents and guardians of students is not unusual.

Terms of Reference.—The late Government of Eastern Bengal and Assam sanctioned a small grant ranging from Rs. 30 to Rs. 50 per annum for each Government High School with a view to meet the charges for annual friendly gatherings of teachers of schools and parents and guardians of students, the object being to interest the latter in school life. The Accountant General, Bengal,

has objected to these grants made by the late Eastern Bengal and Assam Government on the ground that they are of an unusual nature and do not fall within the category of recognised objects of expenditure from public funds, and holds that the sanction of superior authority is required.

Comptroller General's decision.—I do not think it is necessary to require the sanction of the Secretary of State to the expenditure. A "Founder's day" or some similar opportunity for a gathering of pupils' parents and guardians is a feature of school life in England and I can see nothing unusual in the recognition of such a gathering in India.

(A. D. II—24.) (Files No. 241-A. & A. of 1913 and No. 51-Code of 1927.)

(9)

M. A. R. of 1918—" Unusual ".—Vegetable gardens may be maintained at Canal Rest Houses at Government expenses but the produce should be sold at market rates.

Terms of Reference.—In the Punjab, there are attached to certain Canal Rest Houses vegetable gardens which are maintained at the public expense. The vegetable produce from these gardens is consumed by touring officers of the Department and by subordinates and menials, some of whom are stationed at or near each rest house. The Punjab Government now propose that vegetable gardens at selected rest houses be maintained at the public expense as heretofore, that the charge for each circle be fixed by the Superintending Engineer with the approval of the Chief Engineer, and that the expenditure thus regularised be covered by charges to be made for the produce utilised. The question for decision is, whether these proposals require the sanction of the Secretary of State as involving expenditure of an unusual nature or outside the ordinary object of the administration.

Comptroller General's decision.—The question has to be looked at from two aspects:—

(1) whether the cost of the maintenance of vegetable gardens at rest houses requires the sanction of the Secretary of State;

(2) whether Government, without the sanction of the Secretary of State, may provide at a cheap rate vegetable gardens for its touring officers.

As regards (1), it may be admitted that Government may incur, within reasonable limits, expenditure on the garden of a rest house The place must be kept decent and in order, and it is unnecessary for an Audit Officer to criticise such expenditure, except to ensure that the expenditure is not extravagant in amount.

But the produce of such a garden is the property of Government and may have a direct market value. Such produce therefore should be disposed of to the best advantage of Government. I do not think, therefore, that it is sufficient to provide that officers benefiting by the gardens should contribute towards their maintenance merely to the extent of covering the cost of the seeds purchased. The produce, in my opinion, should be sold at ordinary market rates. I realise, of course, that theoretically there may be no market rate for a cabbage grown at a rest house when no other cabbage is grown within 10 miles of that spot, but there must be a market rate at a neighbouring market, and that rate can be increased in order to provide for the cost of carriage.

If the rule be so modified, I do not think the sanction of the Secretary of State will be required.

(A. D. II—40.) (Files No. 340-A. & A. of 1913 and No. 51-Code of 1927.)

(10)

M. A. R. of 1918—" Unusual ".—The grant of compensation to a Government servant for expenses incurred in defending a criminal case, which is not connected with his official duties, is unusual.

Terms of Reference.—It is proposed to pay a certain Government officer a sum of Rs. 1,000 as compensation for expenses incurred in defending a criminal case which the local officers, in the opinion of the Home Department, allowed to proceed against him through lack of judgment. The question is whether this expenditure is of an unusual nature, thus requiring the sanction of the Secretary of State.

Comptroller General's decision.—The case was found against the officer in the lower court, but the judgment was upset and the officer acquitted in the High Court. The Hon'ble the Home Member expresses the following opinion of the convicting Magistrate—" His mind was not free from bias, and his proceedings showed ignorance of law and procedure and want of common sense and sense of proportion." It is this finding which is held to justify the grant of the compensation suggested.

The case cannot be brought under the ordinary rules regulating the grant of compensation to Government officers for expenses incurred by them in defending cases brought against them. I have not been able to trace any general orders of the Government of India on this subject, but the principle is contained in the rules given in Public Works Department Code, Vol. I, 9th Edition, paragraph 388, and Railway Code, Vol. I, paragraph 251 (2). This principle seems to be that Government is not liable for any charges unless the offence for which the case is brought against the officer is committed in the discharge of the officer's duties as a Government

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Comptroller General's decision.—The case was found against the officer in the lower court, but the judgment was upset and the officer acquitted in the High Court. The Hon'ble the Home Member expresses the following opinion of the convicting Magistrate—" His mind was not free from bias, and his proceedings showed ignorance of law and procedure and want of common sense and sense of proportion " It is this finding which is held to justify the grant of the compensation suggested.

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nient site of the Ramna, in consideration of which they agreed to abandon such rights as they had over the *Purana Pultan.* The cost to Government of the preparation of the ground was Rs. 583. Apparently then, according to the Bengal statement—

(1) the Dacca Club had a vested right of lease over the *Purana Pultan* piece;

(2) the Club had incurred a fair amount of initial expenditure in return for which it was getting Rs. 72 per annum on its sub-lease and might possibly have got more later;

(3) Rs. 583 or 8 years' purchase was not an unreasonable sum at which to buy out a right bringing in Rs. 72 per annum.

The conclusion, therefore, is that if the Dacca Club had a right enforceable at law under which they could have resumed the tenancy of the *Purana Pultan* land, the expenditure of Rs. 583, whether in cash or in some work desired by the Club, is an ordinary incident of expenditure and no more unusual than the payment of compensation in land acquisition, if it be assumed—

(*i*) that the Dacca Club had a legal right, and

(*ii*) that the expenditure on acquiring rights over land for the purposes of recreation for the schools is a legitimate public expenditure.

As regards (*i*) Bengal are somewhat vague, (*ii*) is apparently correct.

If, therefore, Bengal can give an assurance that the Dacca Club had a right enforceable by law for compensation on ejectment from the *Purana Pultan*, the Local Government were within their rights and acting within the ordinary scope of administration in effecting a compromise at the cost of Rs. 583. If the Club's right was purely sentimental, and their tenure was extinguishable at will by the Municipality with no compensation for the improvements they had made, the expenditure is unusual.

(A D. III—7.) (Files No. 574-A. & A. of 1913 and No. 52-Code of 1927.)

(13)

M. A. R. of 1918—" Unusual ".—Expenditure on the provision of Rest Houses for the use of Police officers at Headquarters stations of districts is not unusual.

Terms of Reference.—It is proposed that rest houses should be provided at the head-quarters station of a district where the District Police and Police from other districts can find shelter and

board. It is also proposed that Government expenditure should be limited to—

(*a*) either providing the building and maintaining it, or paying the rent, and

(*b*) a small allowance towards the upkeep of the furniture.

The question for decision is, whether such expenditure will require the sanction of the Secretary of State.

Comptroller General's decision.—These proposals give the Police Officers, who will be permitted to use these rest houses, shelter at a place where their presence is required on duty. I do not think such expenditure can be considered to be either unusual or outside the ordinary duty of administration and thus to require the sanction of the Secretary of State.

(A. D. IV—63.) (Files No. 610-A. & A. of 1913 and No. 53-Code of 1927.)

(14)

M. A. R. of 1918—" Unusual ".—Expenditure on catering arrangements for Members of Legislative Council accommodated in the Metcalfe and Curzon Houses, Delhi, was unusual.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary for the payment of—

(1) Rs. 750 to Mrs. ——— as compensation for loss incurred by her in the management of the catering arrangements undertaken by her for the Non-official Members of the Legislative Council in Metcalfe House during the winter of 1912-13; and

(2) Rs. 85-4-0 as travelling allowance to and from Simla to one Mr. ———, a steward of a hotel in Simla, who was asked by the Chief Commissioner, Delhi, to come down to Delhi for discussing in person with the Chief Commissioner the arrangements necessary for the catering of the residents of Metcalfe and Curzon Houses this season (1913-14).

Comptroller General's decision.—Item (1) has to be paid under a formal agreement entered into by the Director of Temporary Works, with Mrs.——, an agreement which the Government of India have accepted. The real question, therefore, for decision is not whether the payment ought to be made under the agreement, but whether this agreement which involved a possible payment from General Revenues ought to have been entered into without the sanction of the Secretary of State.

The real question for decision is whether Government can go into the hotel-keeping business in Delhi without the sanction of the Secretary of State. There can be no question that the management of

such a business by Government in itself is unusual, and I do not think that it is a sufficient argument to say that the Secretary of State must have been aware when he sanctioned the project for temporary works that the Government of India would have to go into this business. It is true that the Secretary of State was told in the Government of India, Public Works Department despatch No. 15, dated 6th June 1912, that Curzon House would be divided into quarters for the use of Members of Council and a few senior officials, also in enclosure No. 4 to the Government of India, Public Works Department despatch No. 34, dated 4th November 1912, that Metcalfe House was to be utilized as quarters for Additional Members of Council; but there is no hint in these despatches that the Govern- [illegible] servants.

I am of opinion, then, that both the items of expenditure now under consideration, which are due to the Government of India making the catering arrangements at Curzon and Metcalfe Houses, should be sanctioned by the Secretary of State. The Government of India will probably consider it desirable to obtain his sanction to their incurring any further expenditure that may be necessary on this object.

(In his despatch No. 13-Public Works, dated 17th April 1914, the Secretary of State confirmed the sanction of the Government of India to the expenditure in connection with the catering arrangements and table equipment for Curzon House and Metcalfe House at Delhi, and authorised them to incur such further expenditure as they may consider necessary on the replacement and maintenance of table equipment for the tenants of these houses on the understanding that should the rent of the quarters as now fixed be found insufficient, it will be increased from time to time so as to insure the eventual recovery of the amount expended.)

(A. D. III—5.) (Files No. 619-A. & A. of 1913 and No. 52-Code of 1927.)

(15)

M. A. R. of 1918—" Unusual ".—The establishment of a dairy farm in the precincts of a Government House with cattle belonging to the Governor involves unusual expenditure.

Terms of Reference.—The Government of Bombay are erecting, on the Government House grounds at Poona, buildings for a cattle farm. The cattle are the property of His Excellency the Governor, and they are to be fed on fodder grown on Government House land, and the control of the farm is to rest with him. The Accountant General is of opinion that the buildings must be considered to be in connection with the Government House and therefore requires the sanction of the Government of India.

Comptroller General's decision.—I do not think that even this sanction will be sufficient. There is no question, of course, that the maintenance of a dairy farm is within the work of administration of the Agricultural Department, but there are several features in the present case which render it unusual. The farm is not to be under the control of the Agricultural Department, but to be under His Excellency. The cattle are His Excellency's property, and the most important point of all is that the buildings are being erected on the grounds of Government House, and it is more than probable that sooner or later a future Governor will object to their presence in those grounds and will ask to have them removed. In that event the Government of India would have little option but to consent to their removal, in which case the expenditure on these buildings will have been largely wasted.

It is suggested that the expenditure would not have been of an unusual nature if the farm were run by the Agricultural Department in the ordinary way and if the Governor sold Government House grass and bought milk, the farm accounts being debited and credited There are two objections to this view,—firstly, that it will be difficult to ask the Governor to buy the milk which is the produce of his own cattle, and secondly—the main objection—that the buildings may hereafter be dismantled if any future Governor so desire.

I am of opinion, then, that the incurring from Government revenue of any expenditure on these buildings requires the sanction of the Secretary of State.

[In his despatch No. 125-Revenue, dated 4th September 1914, the Secretary of State said—

"I agree that the location of the farm in the boundaries of Government House as a personal experiment of His Excellency limited the powers of the Bombay Government in the matter.

The farm buildings, the construction of which had already been taken in hand in November last, have by now presumably been completed, and in the circumstances I confirm their proceedings. But I must add that while fully appreciating the objects which Lord Willingdon has in view and his public spirit in undertaking the scheme so largely at his own cost, I share the doubts that I gather Your Excellency's Government feel, in view of the possibility of difficulties arising when Lord Willingdon lays down his office.

I would therefore request that Your Excellency's Government will take steps to ensure that the question of maintaining or modifying the existing arrangements on the expiration of Lord Willingdon's term of office is carefully considered."]

(A. D. III—12.) (Files No. 78-A. & A. of 1914 and No. 52-Code of 1927.)

(16)

M. A. R. of 1918—" Unusual ".—Sunday fees realised from importers for working cargoes on Sundays, being part of general revenues, the formation of a service Fund from these fees to help Customs Department officers in cases of sickness and distress is unusual expenditure.

Terms of Reference.—The Government of Bengal have sanctioned an arrangement under which 10 per cent. of the special Sunday fees realised for working cargoes in the Port of Calcutta is utilised in forming a service fund with a view to help Preventive Officers in cases of sickness and real distress in the first few years of their service. The fund is to be administered by a Committee which at its discretion can sanction the following expenses of a Preventive Officer or the members of his family:—

(*a*) Railway fares to a health resort,

(*b*) Bills of approved doctors or chemists, and

(*c*) Board and lodging at a health resort.

The question for decision is, whether the sanction of the Secretary of State is necessary for utilising the fees as proposed.

Comptroller General's decision.—In a previous note* it was pointed out that the receipts from Sunday fees realized in the Bombay harbour should form part of the General Revenues, and that a payment of Rs. 200 out of these fees for a recreation club of the Customs Officers required the sanction of the Secretary of State. The present question refer to similar fees realized in Calcutta, and as it is not usual for Government to incur expenditure on the objects specified above, the sanction of the Secretary of State seems to be necessary. The Commerce and Industry Department, however, argues that this sanction is not necessary because (1) no portion of the fees realized in Calcutta is credited to Government and public revenues are not, therefore, affected by the expenditure proposed, and (2) no reference to the Secretary of State was made when the Government of India sanctioned in 1904 some proposals of the Bengal Government to pay the officers 40 per cent. of the fees, 10 per cent. of which is now proposed to be utilised for the purposes specified.

With regard to these contentions the point seems to be not whether the fees are credited to Government but whether they should be so credited. In this connection attention is invited to the quotations made in my previous note* from the notes of Sir J.——and of Lord E.—— and also more particularly to paragraph 2 of the Secretary of State's Revenue despatch No. 131, dated 5th August 1897, in which he said: " I believe that the fund to which the dues are credited is only shown in the deposits, and does not form part of

* See Section IV, Ruling 2.

the revenue of the year; and I am of opinion that the mere existence of such a fund does not form any justification for the increase of the emoluments of the persons employed, and that it is undesirable that any part of their allowances should be excluded from the statement of the expenditure of the year." This was a clear expression of opinion on the part of the Secretary of State that any increase of allowances from these fees should be treated for the purpose of his sanction as though such increase were made from General Revenues. The Government of India may not act then contrary to this opinion without his sanction. Mr. (now Sir W.—) M.—in paragraph 13 (6) of his note, dated 10th April 1900, pointed out that the sanction of the Secretary of State would be necessary to the payment of any portion of these fees to officers of the Calcutta Customs Department drawing more than Rs. 5,000 a year. (It will be seen from paragraph 1 of Mr.—now Sir W.—'s note that three of these officers were in the Preventive Service), and yet a perusal of the Government of India, Finance Department, Progs. Nos. 1141—1144 of August 1904 shows that the payment of 40 per cent. of these fees to Preventive Officers was sanctioned by the Government of India without any reference to the previous notes referred to above or without the sanction of the Secretary of State. An order issued by the Government of India in 1904 in excess of their authority can hardly be held to authorise the Government of India to exceed their powers now.

I am of opinion, then, that in this case, as in the Bombay case, the sanction of the Secretary of State is necessary, and that the opportunity should be taken to regularise the position as regards the fees retained by the Preventive Officers.

I may note that the Accountant General, Bengal, cannot be held responsible for any failure of audit in this case unless he was aware of the Secretary of State's opinion expressed in his Revenue despatch No. 131, dated 5th August 1897, on which the present decision is based.

(A. D. IV—59.) (Files No 85-A. & A. of 1914 and No. 53-Code of 1927.)

(17)

M. A. R. of 1918—" Unusual ".—Expenditure on maintaining gardens attached to leased houses in Delhi is unusual.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to any expenditure by Government in maintaining gardens attached to leased houses in Delhi which are occupied during the cold weather by officers coming from Simla and during the hot weather by officers of a lower status.

Comptroller General's decision.—The expenditure on the maintenance of gardens is not permissible except in the circumstances

mentioned in paragraph 917 VII, Public Works Department Code, 9th Edition. Under that rule expenditure is not permissible unless the house belong to Government and unless no officer be in occupation or responsible for the rent thereof. Neither of these conditions is fulfilled in the present case.

The special conditions of Delhi may warrant a reference to the Secretary of State but do not render the expenditure free from objection from the audit point of view, and I hold, therefore, that the sanction of the Secretary of State is necessary.

(The Secretary of State sanctioned the expenditure in his telegram, dated 25th June 1914.)

(A. D. IV—31.) (Files No 168-A. & A. of 1914 and No. 53-Code of 1927.)

(18)

P. W. A. Code, Para. 507 & M. A. R. of 1918—"Unusual".—Refund by Government of money embezzled by the peon who cashed the pay bill of an Assistant Settlement Officer in camp at a place 26 miles away from the Treasury was not unusual.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to the re-imbursement to an Assistant Settlement Officer in Bengal of his salary which was embezzled by the peon who had taken delivery of the amount and of other Government moneys at the treasury. The camp of the Assistant Settlement Officer was 26 miles away from the district treasury at Dacca.

Comptroller General's decision.—In a previous case (case of Mr.—) my predecessor held that such a refund would be an act of grace and therefore was of an unusual character requiring the sanction of the Secretary of State. An application was made to the Secretary of State but he refused to accord sanction and ordered the Government of India to take steps to ensure that officers in Mr.—'s position realise the risk they incur by employing clerks in their departments for the purpose of drawing their pay.

I do not think that this is a direct precedent to the case now in question. It was admitted in Mr.—'s case that the embezzlement of his pay was merely one of a series of embezzlements, carried out by his head clerk, which were largely due to the imperfect supervision exercised by Mr.—and by his predecessor. Moreover, Mr.—was at Headquarters when his pay was drawn, and there would have been no serious difficulty in his obtaining his pay himself or in endorsing the bill to a bank.

The present case is on a different footing altogether. The act of embezzlement was an isolated case. The officer was 26 miles away from headquarters and would never have been allowed by Government to visit Dacca merely to draw his pay. Nor was it

feasible to make a bill payable to a Bank because he would still have had to make arrangements to obtain money for his own personal needs in the locality of his camp. I consider, then, that the Assistant Settlement officer is not an officer who can be said to be one in Mr.—'s position, to quote the words of the Secretary of State. This case is much more akin to that of the officers of the Public Works Department who have been permitted by Government to have their pay brought by Barkandaz guards, Government accepting liability for any loss caused by the act of the guard if the officer is not at the station where the money is drawn.

I consider, then, that in this case the sanction of the Secretary of State is not necessary.

(A. D. IV—61) (Files No 187-A. & A. of 1914 and No. 53-Code of 1927)

(19)

M. A. R. of 1918— 'Unusual'.—The appointment of female attendants to Inspectresses of Schools is not unusual.

Terms of Reference.—The question for decision is whether the appointment of female attendants to the Inspectresses and Assistant Inspectresses of Schools in Bengal at Rs 15 and 12 per mensem respectively is of such an unusual nature as to require the sanction of the Secretary of State

Comptroller General's decision.—I cannot see that the appointment of female attendants on female Officers is so unusual as to require the sanction of the Secretary of State It may be an innovation in Government work in India but it is not itself unusual. If this were held to require the sanction of the Secretary of State then the Government of India would not break fresh ground even in matters of the most trivial description without his prior approval

(A D. IV—57.) (Files No 193-A & A of 1914 and No 53-Code of 1927)

(20)

M. A. R. of 1918— 'Unusual'.—Expenditure of public money for aiding discharged prisoners is not unusual

Terms of Reference—The question for decision is, whether the expenditure of public money on aiding discharged prisoners requires the sanction of the Secretary of State as being on an object outside the ordinary objects of public expenditure.

Comptroller General's decision.—The fields of the Government of India which have been sent for perusal indicate clearly that expenditure of this nature has been incurred to a small extent in other provinces of India sometime past Also that there is a very elaborate system in England whereby public money is expended on this purpose. I accept, too, the view which has been put forward by the Burma Government in their letter No 1139—16J—38, dated

23rd March 1910, in which they say: " In the Lieutenant-Governor's opinion the expenditure of public money on aiding discharged prisoners is a proper object for the expenditure of public money. It is clearly the duty of every Government to spare no effort to save from a life of crime, persons who are only criminals owing to environment aided by fortuitous circumstances. His Honour believes that the grant of money made to a discharged prisoner for the purpose of putting him in a position to earn his living honestly may often help to save a man from continuing in a course of crime to which he would otherwise return. The expenditure may even be called economical since the maintenance of criminals in prison is a burden on the public purse, and every person persuaded to turn to honest courses and saved from jail is therefore so much saving of public money."

I am of opinion, therefore, that the sanction of the Secretary of State is not required in this case.

(A D. IV—55.) (Files No. 257-A. & A. of 1914 and No. 53-Code of 1927.)

(21)

M. A. R. of 1918—" Unusual ".—A grant to the Young Men's Christian Association for organising a movement for the physical welfare of students is not unusual, but a grant for National Sports' meeting is.

Terms of Reference.—The question for decision is, whether the sanction of the Secretary of State is required to the grant of Rs. 7,500 to the National Council of the Young Men's Christian Association for organising a National Campaign in Physical Education and a National Sports meeting in Delhi.

Comptroller General's decision.—It is admitted that a grant to the Young Men's Christian Association for general purposes is permissible. In this case, however, the grant is asked for to aid two specific purposes, and it is necessary to consider whether Government money may be spent on these objects.

It is desirable to differentiate clearly between these two objects.

The first is a campaign of physical education throughout the schools and colleges of India, not to develop a few athletes in each institution, but to promote the physical welfare of all the students. The tests to be instituted are running, jumping and pulling. Whether these are the best tests is not for me to discuss. I am concerned merely with the object, and I do not consider that expenditure to promote the general physical welfare of pupils in schools is of an unusual nature. It is akin to expenditure on drill which is already incurred.

The second object is the holding of a National Sports Meeting at Delhi where 5 championships are to be competed for. The present athletic championships of India are competed for in Calcutta

and I find nothing about the proposed championship meeting which will differentiate it from the present. The Government of India have never subscribed to the present championship meeting. I believe the Lieutenant-Governor of Bengal did so, on one or two occasions from Government funds placed at his disposal, but that, on the Accountant General's demi-official protest, he met it from private funds. In any case, I am of opinion, that a subscription to a purely athletic meeting requires the sanction of the Secretary of State.

(A. D. IV—25.) (Files No. 338½-A. & A. of 1914 and No. 53-Code of 1927.)

(22)

M. A. R. of 1918—" Unusual ".—A loan for an electric installation in a church is not devoted to an unusual object or one outside the ordinary work of administration.

Terms of Reference.—The question for decision is, whether the grant of a loan of Rs. 4,000 free of interest to the authorities of St. Mary's Church at Quetta for the purpose of putting up electric installation therein requires the sanction of the Secretary of State.

Comptroller General's decision.—The rules regulating the powers of the Government of India to sanction loans are contained in clause VIII of the Audit Resolution. The question has been raised whether the sanction of the Secretary of State is required to a loan which though not falling within clause VIII (1) and (2) yet relates to an object for which a cash grant by the Government of India is inadmissible.

On a careful perusal of the correspondence with the Secretary of State, I am of opinion that the rules which are to be found in notes (1) and (2) to clause VIII were meant and must have been understood by the Secretary of State to be of an amplifying and not of a restrictive character. The question then resolves itself into this. Must the expenditure upon the provision of a light be regarded as of an unusual nature or devoted to an object outside the ordinary work of administration? The answer, I think, must be "no". The provision of a light in a Church is expressly provided for in the Ecclesiastical Rules, and in view of the many instances in which the electric light has been installed in Churches with the assistance of Government it cannot now be held I think that such expenditure is either extravagant or outside the ordinary duties of the administration.

I am of opinion, then, that the sanction of the Secretary of State is not necessary to the grant of this light.

(A. D. IV—46) (Files No. 381-A. & A. of 1914 and No. 53-Code of 1927.)

(23)

M. A. R. of 1918—" Unusual ".—Reimbursement of the cost of a *nazar* presented to the ruler of an Indian State by a British Government official lent to the State is not unusual.

Terms of Reference.—The question for decision is whether the expenditure of Rs. 316 and Rs. 210 from the public revenues, being the cost of reimbursement to two Indian officers of Government lent to the Rana of Jubbal, of the value of *nazars* presented by them to the Rana in accordance with the custom of the State, requires the sanction of the Secretary of State.

Comptroller General's decision.—The precedents cited show that such charges have been incurred in the past and are not unusual. Nor can they be held to be devoted to objects outside the ordinary work of administration, as it is necessary on political considerations to conform to a certain extent in these matters to the customs prevalent in Indian States. I am, therefore, of opinion that the sanction of the Secretary of State is not necessary.

(A. R., Vol I—9.) (Files No. 523-A & A. of 1914 and No. 54-Code of 1927.)

(24)

M. A. R. of 1918—" Unusual ".—The maintenance of the gardens and grounds attached to a Circuit House is not " unusual."

Terms of Reference.—The question for decision is whether the sanction of the Government of India is necessary to a recurring expenditure of Rs. 1,500 a year, for the maintenance of the lawn, garden and grounds attached to the Circuit House.

Comptroller General's decision.—Clause VII, Paragraph 917, Public Works Department Code, Volume I, 9th Edition, does not apply to Circuit Houses, which are not residential buildings in the ordinary sense of the expression. Expenditure on the upkeep of gardens or grounds attached to public buildings is usually treated as maintenance charges of the buildings concerned. There is, therefore, no objection to the Local Government incurring charges on the maintenance of the gardens and grounds attached to the Circuit House.

It has been urged that the sanction of the Secretary of State is necessary for the expenditure as there are no rules allowing expenditure on the maintenance of gardens at Circuit Houses. The fact that there are no rules specifically allowing such expenditure is no argument for its being treated as unusual. I am of opinion that the expenditure is not unusual.

The expenditure on the maintenance of the garden and grounds appears, however, to be *primâ facie* extravagant. It is, in my

opinion, desirable that the Local Government should be addressed with a view to seeing whether the area of the grounds and the cost of maintenance cannot be reduced.

(A. R. Vol I—2.) (Files No. 551-A. & A of 1914 and No. 54-Code of 1927.)

(25)

M. A. R. of 1918—" Unusual ".—Expenditure incurred by Government in furnishing quarters for a Civil Surgeon is not unusual.

Terms of Reference.—The question for decision is whether the expenditure of Rs. 2,000, proposed to be incurred on the provision of furniture for the quarters of the Civil Surgeon at Pachmarhi, is within the competence of the Government of India to sanction.

Comptroller General's decision.—The Government of India have previously, in special circumstances, sanctioned the supply of furniture to residential buildings. I am of opinion that a reference to the Secretary of State is not necessary in this case, if the Government of India consider the circumstances to be special.

(A R. Vol. I—30.) (Files No. 139-A. & A. of 1915 and No. 54-Code of 1927.)

(26)

M. A. R. of 1918—" Unusual ".—Grant of advances to passed students of Government Weaving Schools would be outside the ordinary work of administration.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to the grant of advances, under certain conditions, from the annual grants for Provincial loans at the disposal of the Local Government, to passed students of the Government Weaving Institute, Serampore, and its affiliated schools, for the purpose of purchasing appliances so as to enable them to put their acquired knowledge to practical use.

Comptroller General's decision.—The grant of such loans was sanctioned in the case of the United Provinces in 1903, but this was before the orders in Rule VIII of the Audit Resolution were issued, so that much weight cannot be given to the precedent. I am of opinion that these loans must be held to be devoted to an object outside the ordinary work of administration and that the sanction of the Secretary of State is necessary.

(A R. Vol II—6.) (Files No. 156-A. & A. of 1915 and No 55-Code of 1927.)

(27)

M. A. R. of 1918—" Unusual ".—Expenditure from public funds for the defence of a minor under the Court of Wards in a criminal case would be unusual

Terms of Reference.—The question for decision is whether the expenditure of a sum of Rs. 10,000 from public funds, for the defence of a minor under the Court of Wards in a criminal case, is within the powers of sanction of the Government of India.

Comptroller General's decision.—The minor is not a pauper and sufficient money could apparently be raised by mortgaging his share of the estate; but it is feared that this would lead to practical difficulties in regard to the management of the estate. The expenditure must, in my opinion, be held to be unusual and it therefore requires the sanction of the Secretary of State.

(A. R. Vol. II—9) (Files No. 200-A. & A. of 1915 and No. 55-Code of 1927.)

(28)

N. A. R., Para. 1 (*3*) & M. A. R. of 1918—" Unusual ".—Exhibition expenses in connection with Professor Geddes' lectures in India should be treated as contingent expenditure, and not as part of pay.

An advance for the collection of exhibition materials in connection with the lectures was not unusual.

Terms of Reference.—The Government of Madras entered into an arrangement with Professor Geddes of Edinburgh under which the Professor was to deliver a series of lectures in the Madras, Bombay, and Bengal Presidencies and receive the following remuneration:—

(1) £450 for the expenses of the exhibition in each city (the exhibition was to be held apparently only in Madras, Bombay and Calcutta), and

(2) A fee of 7 guineas a day to cover all charges, including those for the days which the Professor spent in travelling between India and England with his son.

The actual charges were to be distributed as follows:—

	Madras.	Bengal.	Bombay.
	Rs.	Rs.	Rs.
Fees for 30 days spent on the voyage, at 7 guineas a day .	1,103	1,103	1,103
Fees for exhibition	6,750	6,750	6,750
Fees at 7 guineas a day for days spent on tour	9,923	4,961	4,961

The total estimated period during which the Professor was to be engaged was 7 months.

The 7 guineas a day amount to Rs. 3,307½ a month; but the Accountant General, Madras, added all the charges together and contended that the expenditure incurred was really on the creation of a temporary appointment with a monthly remuneration of more

than Rs. $4,166\frac{2}{3}$, the limit up to which the Government of India can sanction temporary appointments. This view was accepted and the sanction of the Secretary of State was obtained.

Owing to the outbreak of the war and the fact that the exhibition materials were sunk by the *Emden*, the original plan could not be carried out and the Bengal Government propose incurring further expenditure in connection with a second visit of the Professor to India.

The questions for considerations are:—

(1) Whether these revised arrangements require the sanction of the Secretary of State, and

(2) What is the authority competent to sanction an advance of £300 to the Professor from the fee of £450 for the exhibition to be held next year.

Comptroller General's decision.—(1)—The limit of Rs. 50,000 a year, up to which the Government of India can sanction a tem- s case by the inclusion in sum paid for the expenses nt for exhibition expenses could, however, have been treated as contingent expenditure of the Department concerned and sanctioned separately. I consider, therefore, that from an audit point of view the sanction of the Secretary of State was not necessary to the original expenditure and that it is not necessary for the additional expenditure now proposed. As, however, the Secretary of State's sanction was obtained to a specific amount to be spent for the purpose in question, the Government of India will probably think it advisable to address the Secretary of State regarding the proposed further expenditure.

(2)—As regards the advance for the collection of materials, I consider that it is not of an unusual nature or devoted to objects outside the ordinary work of administration and that the sanction of the Secretary of State is not technically required. But, if it is decided to address the Secretary of State, it would be advisable to include this item also in the reference.

(A. R. Vol. II—16.) (Files No. 269-A & A of 1915 and No 55-Code of 1927.)

(29)

M. A. R. of 1918—" Unusual ".—Where compensation is due, an unusual method of payment does not make the expenditure unusual.

Terms of Reference.—It is proposed to grant assignments of Land Revenue to the owners of certain private inundation canals as compensation for the loss of their *Chaharami* rights likely to be entailed by the construction of the Shahpur Branch of the Lower

Jhelum Canal Project. The question for decision is whether a reference to the Secretary of State is necessary.

Comptroller General's decision.—Reading Sections 8 and 10 of the Punjab Act VIII of 1873 (Northern India Canals and Drainage Act) with Section 40 of the Land Acquisition Act of 1870 and Clause J of Section 31 of the Land Acquisition Act of 1894, it seems doubtful whether the proposed method of payment can be held to be 'unusual.' But in any case a reference to the Secretary of State does not appear to be necessary, from an audit point of view, to an item of expenditure merely because the method of payment is unusual. In the present case, therefore, I am of opinion that a reference to the Secretary of State is not necessary on audit grounds.

(A. R. Vol II—31.) (Files No. 355-A. & A. of 1915 and No. 55-Code of 1927.)

(30)

M. A. R. of 1918—" Unusual ".—Expenditure on the provision of flour grinding mills on a trade route in Baluchistan is not unusual.

Terms of Reference.—The question for decision is whether an expenditure of Rs. 3,444 on the provision of flour grinding mills at Dalbundin, on the Nushki-Seistan Trade Route, *requires the* sanction of the Secretary of State.

Comptroller General's decision.—Such mills have been erected at Government expense from time to time on the Nushki-Seistan Trade Route with a view to increasing the popularity of the route. The matter was considered in 1903 and it was held that such expenditure was admissible. In the special circumstances of this case I am of opinion that expenditure on the provision of flour grinding mills at Dalbundin can be charged to public funds without a reference to the Secretary of State.

(A R. Vol. II—32) (Files No. 434-A. & A. of 1915 and No. 55-Code of 1927)

(31)

M. A. R. of 1918—" Unusual ".—Payment of compensation to a contractor for the loss of materials which were stored by him on certain Government lands is not unusual.

Terms of Reference.—The question for decision is whether the Government of India are competent to waive the recovery of a sum of R7,392, due from a contractor in connection with the construction of a new Government House at Dacca, in consideration of a cross claim of R9,786 preferred by the contractor in connection with the same work.

Comptroller General's decision.—The proposal involves the payment of compensation to the contractor for the loss of materials alleged to have been stored by him on certain Government

land, which was leased to a third party by the Government. Such expenditure is not unusual within the meaning of Rule III (1) (*a*) of the Audit Resolution and does not require the sanction of the Secretary of State.

(A R. Vol. II—35) (Files No 470-A. & A of 1915 and No 55-Code of 1927.)

(32)

M. A. R. of 1918—" Unusual ".—Expenditure on the hire of quarters for the prospective incumbent of a post for which sanction may reasonably be anticipated, is not unusual.

Terms of Reference.—The question for decision is whether an expenditure of R2,000, incurred by the Government of the United Provinces on the rent and taxes of a house in Nainital, which was taken on lease by that Government for the accommodation of a prospective member of the proposed Executive Council, should be regarded as being of an unusual nature and therefore requiring the sanction of the Secretary of State under Rule III (1) (*a*) and (*b*) of the Audit Resolution.

Comptroller General's decision.—Expenditure on the hire of quarters by Government to provide suitable house accommodation for Government servants is not unusual, and in this case the expenditure was incurred under a reasonable anticipation that the proposed Executive Council for the United Provinces would be sanctioned. In the circumstances, reference to the Secretary of State is not necessary

(A R Vol II—36) (Files No 475-A & A of 1915 and No 55-Code of 1927.)

(33)

M. A. R. of 1918—" Unusual ".—The grant of subsistence allowances to enemy subjects kept under surveillance in India is not unusual.

Terms of Reference.—The question for decision is whether the grant of subsistence allowances to enemy subjects kept under surveillance in India requires the sanction of the Secretary of State, under Rule III, 1 (*a*) and (*b*) of the Audit Resolution.

Comptroller General's decision.—Such expenditure is not unusual or outside the ordinary work of administration The sanction of the Secretary of State is, therefore, not required.

(A. R Vol II—39) (Files No. 484-A. & A of 1915 and No 55-Code of 1927.)

(34)

M. A. R. of 1918—" Unusual ".—Expenditure on the publication of a Co-operative Journal in a province is not unusual.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to an expenditure of Rs. 1,200 a year, incurred by the Government of Bengal, on the publication of a Co-operative Journal.

Comptroller General's decision.—Expenditure incurred on the publication of a Co-operative Journal is not devoted to an object outside the ordinary work of administration, and the sanction of the Secretary of State is not necessary. The sanction of the Local Government is sufficient.

(A. R. Vol. III—4) (Files No. 501-A. & A. of 1915 and No. 58-Code of 1927.)

(35)

M. A. R. of 1918—" Unusual ".—Expenditure on the maintenance of guards at State expense for the protection of a retired police officer is not unusual.

Terms of Reference.—The question for consideration is whether an expenditure of Rs. 73-8-0 a month, sanctioned by a local Government on account of the pay, local allowances, and house rent of a temporary guard for the protection of a retired Deputy Superintendent of Police, requires the sanction of the Secretary of State under Rule III (1) (*a*) and (*b*) of the Audit Resolution. The Accountant General holds that such sanction is necessary under the rules referred to, and points out that, under section 13, Act V of 1861, the cost of police officers deputed on the application of any person is to be recovered from the applicant.

Comptroller General's decision.—I am of opinion that the expenditure is not unusual or devoted to an object outside the ordinary work of administration, that section 13, Act V of 1861, does not apply, and that the sanction of the Secretary of State is not necessary.

(A. R. Vol. III—8.) (Files No. 564-A. & A. of 1915 and No 58-Code of 1927.)

(36)

M. A. R. of 1918—" Unusual ".—The grant of compensation to officers of the Forest Department for losses sustained owing to a fire is not unusual.

Terms of Reference.—The question for consideration is whether it is open to the Government of India to sanction compensation to two officers of the Forest Department (a Ranger and a Deputy Ranger) in Burma for losses sustained in a fire which, it has been judicially established, was caused by another Ranger while these two men were assisting at an enquiry into his conduct.

Comptroller General's decision.—I am of opinion that the expenditure is not unusual or devoted to objects outside the ordinary

work of administration within the meaning of the Audit Resolution and that the sanction of the Government of India is sufficient.

(A. D. Vol. III—27.) (Files No. 49-A. & A. of 1916 and No. 56-Code of 1927.)

(37)

M. A. R. of 1918—" Unusual ".—Expenditure in connection with the Victoria Memorial Hall is on a historical museum and is not therefore, unusual.

Terms of Reference.—In 1904, the Government of India agreed to bear the following charges in connection with the Victoria Memorial Hall:—

(*a*) Any expenditure which, after the removal of the Presidency Jail, may be required in order to clear and level the site thereof in a manner corresponding with the surrounding portion of the *maidan* of which it forms a part, and

(*b*) The cost of maintaining the Victoria Memorial Hall and the grounds attached thereto, and the salaries of the Curator and his staff, both clerical and menial, subject to a total maximum expenditure of Rs. 31,800 per annum.

The Government of Bengal have now sent an estimate for Rs. 58,868 for the work referred to at (*a*) above and ask for an allotment of Rs 18,000 for 1915-16. The question for consideration is whether the sanction of the Secretary of State is necessary to the expenditure. It is contended, on the one hand, that the undertaking of 1904 does not affect the question of sanction and that the sanction of the Secretary of State is necessary to the expenditure which is of an unusual nature, while, on the other hand, it is pointed out that the Victoria Memorial Hall is a noble historical museum and that the proposed expenditure is within the powers of of the Government of India, as they maintain, or assist, museums.

Comptroller General's decision.—I agree with the latter view and consider that the sanction of the Secretary of State is not required to the grant in question.

(A. R. Vol. III—32) (Files No. 88-A. & A. of 1916 and No. 56-Code of 1927.)

(38)

M. A. R. of 1918—" Unusual ".—Compensation to regiments for the loss of horses which died of disease contracted from Government horses is not " unusual " expenditure.

Terms of Reference.—The Government imported a ship-load of horses which happened to be infected with 'pink-eye'. The disease was not detected on the arrival of the ship in Calcutta and the horses were sent to different regiments for training. The horses

of those regiments were in this way infected and many of them ultimately died. Compensation is claimed by the regiments for the loss of their horses and the Government of India have accepted their claims. The question for decision is whether the payment of such compensation requires the sanction of the Secretary of State.

Comptroller General's decision.—The case is not covered by paragraph 328, Army Regulations, India, Volume I, Part I. But I am of opinion that this fact does not of itself render necessary a reference to the Secretary of State. The rule quoted does not contemplate cases in which loss has been incurred as the result of the action of Government. The grant of compensation in such cases does not involve "unusual" expenditure within the meaning of Rule III (1) (*a*) of the Audit Resolution, and I consider that the sanction of the Secretary of State is not required.

(A. R. Vol. IV—14.) (Files No. 122-A. & A. of 1916 and No 57-Code of 1927.)

(39)

M. A. R. of 1918—" Unusual ".—Expenditure on the provision of dhobis' platforms in Government residential houses is not "unusual".

Terms of Reference.—The Government of Bihar and Orissa sanctioned the provision of a dhobis' platform in the Commissioner's residence at Ranchi, at present occupied by an Hon'ble Member of the Executive Council of Bihar and Orissa. The question for decision is whether the expenditure incurred is "unusual" within the meaning of rule III (1) (*a*) of the Audit Resolution.

Comptroller General's decision.—Such expenditure is not "unusual" within the meaning of Rule III (1) (*a*) of the Audit Resolution.

(A. R. Vol. IV—7.) (Files No. 234-A. & A. of 1916 and No. 57-Code of 1927.)

(40)

M. A. R. of 1918—" Unusual ".—Expenditure on the acquisition of house property at Simla for the accommodation of officials is not unusual.

Terms of Reference.—It is proposed that Government should take on lease for three years the house at Simla known as 'Greenwood Court' at an annual rental of Rs. 2,250 *plus* charges for repairs and all taxes, with an undertaking to purchase it for Rs. 50,000 at the end of that time. It was ruled in a somewhat similar case of the purchase of 'Somerleyton,' Simla, that expenditure of this kind was on an object outside the work of administration and required the sanction of the Secretary of State under Rule III (1) (*b*) of the Audit Resolution. The sanction of that authority was also held to be necessary under Rule III (1) (*c*) *ibid* on the ground that

the purchase of 'Somerleyton' was proposed in pursuance of a general policy of Government to provide accommodation for its officials and was likely to involve, at a later date, expenditure beyond the powers of sanction of the Government of India. The question now for decision is whether the sanction of the Secretary of State should be obtained in the present case in view of the ruling already given.

Comptroller General's decision.—Expenditure on the acquisition of the property in question is not, in my opinion, unusual or devoted to an object outside the ordinary work of administration within the meaning of Rule III (1) (*a*) and (*b*) of the Audit Resolution. In this connection, I would invite a reference to paragraphs 914 and 915 of the Public Works Department Code, 9th Edition. Nor do I consider that the case falls under Rule III (1) (*c*) of the Audit Resolution. I understand that the whole question of the policy to be adopted in the matter of acquiring property in Simla is to be deferred for future consideration and that the acquisition of this particular property will not in any way affect the decision on the general question. In the circumstances, the sanction of the Secretary of State is not required.

(A. R. Vol. IV—10) (Files No. 307-A. & A. of 1916 and No. 57-Code of 1927.)

(41)

M. A. R. of 1918—" Unusual ".—Payment of remuneration to the Bank of Bengal in connection with certain loan operations was not " unusual ", though no remuneration was due in accordance with the Bank's terms of agreement.

Terms of Reference.—The Government of India propose to pay a remuneration of Rs. 50,000 to the Bank of Bengal for the extra work devolving on them in connection with the conversion of Government Securities of the 3 or $3\frac{1}{2}$ per cent. rupee loans into the conversion loan of 1916-17. It is stated that, in accordance with the terms of the agreement entered into between the Bank and Government with the approval of the Secretary of State, no remuneration is legally claimable by, or payable to, the Bank for the additional work. The question for decision is whether, in these circumstances, the payment of the proposed remuneration requires the sanction of the Secretary of State.

Comptroller General's decision.—The proposed expenditure is not, in my opinion, of an unusual nature, within the meaning of Rule III (1) (*a*) of the Audit Resolution, or devoted to an object outside the ordinary work of administration There is no rule in the Audit Resolution under which the sanction of the Secretary of State is required. From an audit point of view, therefore, a reference to the Secretary of State is not necessary

(A. R Vol IV—22.) (Files No. 481-A & A. of 1916 and No 57-Code of 1927.)

(42)

M. A. R. of 1918—" Unusual ".—Payment of an annual subsidy to the Bhutan State, as compensation for the closing of liquor shops within a certain distance of its borders, is neither unusual nor devoted to an object outside the ordinary work of administration.

Terms of Reference.—It is proposed to grant an annual subsidy of Rupees one lakh to the Bhutan Durbar as compensation for the closing of all liquor shops within a certain distance of the Bhutan-Jalpaiguri border, subject to the condition that the amount of compensation given shall not exceed the amount of additional revenue likely to be obtained by the Government of India by the removal of the Durbar liquor shops. The question for decision is whether this proposal requires the sanction of the Secretary of State.

Comptroller General's decision.—The expenditure is not, in my opinion, unusual, nor is it devoted to an object outside the ordinary work of administration [Rule III (1) (*a*) and (*b*) of the Audit Resolution]. Rule III (15) does not apply, as the expenditure is not "for the direct benefit of a Native State". The sanction of the Secretary of State is not required.

(A. R. Vol. V—2.) (Files No. 431-A. & A. of 1916 and No. 53-Code of 1927.)

(43)

M. A. R. of 1918—" Unusual ".—A grant-in-aid to a Burial Board for the purchase of grave space, and for the up-keep of graves, is not unusual, but a grant for the erection of tombstones is.

Terms of Reference.—It is proposed to make certain payments to a Burial Board, towards the cost of (*a*) erection of tombstones, (*b*) the purchase of grave space, and, (*c*) the up-keep of graves for British soldiers who die during the War, in a non-Government cemetery administered by the Board.

Comptroller General's decision.—In the case of Government cemeteries, soldiers' graves are exempted from fees as regards (*b*) and (*c*) above,—*vide* Rule 3, Part II, Note 1, Rule 2, Part IV, Note (3) and Rule 10, Part IV, of the Ecclesiastical rules. There would, therefore, be nothing unusual if Government were to sanction expenditure for these purposes in the case of non-Government cemeteries. But as regards expenditure (*a*) on the erection of tombstones, it is nowhere contemplated that this should be charged to Government. Such expenditure, however, desirable it may be in the present case, must be held to be unusual and devoted to an

object outside the ordinary work of administration within the meaning of Rule III (1) of the Audit Resolution.

(A. R. Vol. V—12.) (Files No. 532-A. & A. of 1916 and No. 53-Code of 1927.)

(44)

M. A. R. of 1918—"Unusual".—An irrigation work, primarily intended to benefit the land belonging to two proprietors, is neither unusual nor outside the ordinary work of administration, even though it does not yield an adequate return.

Terms of Reference.—The Madras Government have sanctioned the restoration of an anicut in the Coimbatore District at an estimated cost of Rs. 96,744, the work being treated as falling under class II, Provincial Minor Works, for which Capital and Revenue Accounts are kept. The work is primarily intended for the irrigation of 400 acres of land belonging to two proprietors, who have bound themselves to pay to Government, for a period of 20 years, a fixed annual sum in lieu of interest and ordinary maintenance charges. The intention is to levy the usual water rates on the land on the expiry of the period of 20 years covered by the agreement. The work is estimated to bring in a gross return of 3·82 per cent. on the capital cost and a net return of about 3 per cent. after allowing for the charges of maintenance, etc The Accountant General, Madras, is of opinion that the sanction of the Secretary of State is necessary under the provisions of paragraph 1924 of the Public Works Department Code, Vol. II, 9th Edition, as the work is primarily intended for the benefit of two individuals and will not yield an adequate return to Government. The Madras Government, however, state that, though the work will at present serve to irrigate only 400 acres, it will eventually improve the prospects of cultivation of a total area of about 1,600 acres commanded by the channel. The question for decision is whether the ruling of the Accountant General, Madras, is correct.

Comptroller General's decision.—It is an established principle of Government to extend irrigation for the general benefit of the community. The expenditure sanctioned by the Madras Government cannot, therefore, be regarded as unusual or outside the ordinary work of administration and as requiring the sanction of the Secretary of State. The expenditure is within the powers of sanction of the Local Government under Rule 5 (11) of Government of India, Finance Department, Resolution No. 361 E A., dated the 24th July 1916, which has superseded the rule contained in paragraph 1924 of the Public Works Department Code, Vol II, 9th Edition. Moreover, the existing rules (paragraphs 1963, 1966, etc., of the Public Works Department Code Vol. II, 9th Edition), contemplate expenditure being incurred on irrigation and agricultural works without a full return.

(A. R. Vol. V—25.) (Files No. 55-A. & A. of 1917 and No. 53-Code of 1927.)

(45)

M. A. R. of 1918—" Unusual ".—Expenditure on placing memorial tablets etc., in houses of historical interest, is within the financial powers of local Governments.

Terms of Reference.—The Government of India propose to issue general orders empowering Local Governments to sanction expenditure in connection with the commemoration of houses which are notable for [illegible] which distinguished public men [illegible] of their career. The question for [illegible] osed orders are open to any audit objection.

Comptroller General's decision.—The expenditure is within the financial powers of Local Governments and no question of delegation of powers arises.

(A. R. Vol V—45) (Files No. 144-A. & A. of 1917 and No. 58-Code of 1927.)

(46)

M. A. R. of 1918—" Unusual ".—Expenditure on decorations connected with the annual convocation of the Board of Sanskrit examinations, is not " unusual ".

Terms of Reference.—An annual convocation of the Board of Sanskrit examinations is held at the Sanskrit College, Calcutta, for the award of diplomas and medals to the successful candidates at the Sanskrit Title Examinations. The Government of Bengal make an annual contribution to meet the incidental expenses, which among other things include expenditure on decorations. The question for decision is whether the expenditure on decorations is unusual and beyond the powers of sanction of the Local Government.

Comptroller General's decision.—In my opinion, the expenditure is not unusual within the meaning of the Audit Resolution it may, therefore, be sanctioned by the Local Government.

(A. R. Vol. VI—3) (Files No. 162-A. & A. of 1917 and No. 59-Code of 1927.)

(47)

M. A. R. of 1918—" Unusual ".—There is no rule to prevent expenditure from public funds on additions and alterations to private buildings taken by Government on lease.

Terms of Reference.—The Chief Commissioner, Delhi, has leased a building from the Baptist Mission to provide temporary accommodation for a Training College for Women at Delhi, and has incurred expenditure, estimated at Rs. 3,676, on adapting the building for the purposes of the College. The Audit Officer, while not questioning the expenditure on grounds of propriety, states that there is " no rule under which the Local Administration is authorised to sanction the expenditure on a leased building on the terms agreed

upon." The question for decision is whether the expenditure requires the sanction of the Government of India.

Comptroller General's decision.—There is no rule which prevents the Local Administration from sanctioning the expenditure

(A. R. Vol VI—2) (Files No. 174-A. & A. of 1917 and No. 59-Code of 1927)

(48)

M. A. R. of 1918—" Unusual ".—Reimbursement to the Government of the Straits Settlements, of the cost of maintenance of a European vagrant compulsorily removed from India, is not " unusual ".

Terms of Reference.—A European British subject was removed from India in May 1916, under Section 17 of the European Vagrancy Act (IX of 1874) Under Section 22 of the Act, she is liable to imprisonment with hard labour if she returns to India within 5 years of her removal. She is at present in Singapore The Straits Settlements Governments enquired whether the Government of India were prepared to allow her to be sent to Calcutta. The Government of India were unable to agree to her return. The Straits Settlements Government permitted her remaining in Singaport, but, as she was completely destitute, requested that the Government of India should reimburse them for any expenses incurred on her maintenance The question for consideration is whether expenditure on this account should be regared as unusual or devoted to an object outside the ordinary work of administration, and therefore as requiring the sanction of the Secretary of State under Rule III (1) of the Audit Resolution.

Comptroller General's decision.—The expenditure is not unusual or devoted to an object outside the ordinary work of administration within the meaning of the Audit Resolution.

(A. R. Vol. VI—5) (Files No 210-A. & A. of 1917 and No 59-Code of 1927.)

(49)

M. A. R. of 1918—" Unusual ".—*Advances for the purchase of furniture are not " unusual ".*

Terms of Reference.—It is proposed to grant advances for the purchase of furniture up to a maximum limit of two months' pay, to occupants of the new residences at Patna on their first move from Ranchi with the Government of Bihar and Orissa The question for decision is whether the sanction of the Secretary of State is necessary.

Comptroller General's decision.—The advances are not, in my opinion, unusual or to be devoted to an object outside the ordinary work of administration within the meaning of Rule VIII of the

Audit Resolution. The sanction of the Secretary of State is not required.

(A. R. Vol. VI—8.) (Files No. 258-A. & A. of 1917 and No. 59-Code of 1927.)

(50)

M. A. R. of 1918—" Unusual ".—The payment of reasonable out-of-pocket expenses to non-officials serving *gratis* on the Rivercraft Board was not " unusual ".

Terms of Reference.—In view of the peculiar position of the Rivercraft Boards at Calcutta, Bombay, Rangoon and Karachi, the members of which receive no pay for their services as agents of Government, it is proposed to allow certain charges, such as gharry hire, supply of tea and luncheon, etc., which are not ordinarily recognised as charges against the State, up to a limit of Rs. 50 per mensem in the case of each Board. The question for consideration is whether the charges should be regarded as ' unusual ' and therefore requiring the sanction of the Secretary of State.

Comptroller General's decision.—I am of opinion that the payment of reasonable out-of-pocket expense to non-officials who give their time *gratis* for Government work should not be considered as unusual. I see no objection to the auditor being empowered to pass charges of this nature up to Rs. 50 a month as contingent charges, without a reference to the Secretary of State.

(A. R. Vol. VI—11.) (Files No. 278-A. & A. of 1917 and No. 59-Code of 1927.)

(51)

M. A. R., of 1918—" Unusual " & Miscellaneous—Statutory Rules of 1894.—Acceptance by Government of liability for losses, with a view to the improvement of Indian industries, is not unusual.

Forest concessions to an individual concern should not be treated as " exploitation of forest produce " for the purposes of the Statutory Rules.

Terms of Reference.—The Government of India propose to grant the following concessions, among others, to a firm in Bombay for the organisation of a bamboo paper pulp industry in the forests of the Kanara District—

(a) Acceptance by Government of liability for any losses incurred by the firm during the experimental period of its operations, up to one-third of the total losses so incurred, or £3,333, whichever is less.

(b) Certain forest and other concessions, such as the free supply of bamboos for experimental purposes, the grant of a suitable site for the erection of the factory free of rent for 21 years and the free use of waterways and roads.

The question for decision is whether the above concessions are within the powers of sanction of the Government of India.

Comptroller General's decision.—The concession at (*a*) is not unusual or devoted to an object outside the ordinary work of administration within the meaning of Rule III (1) (*a*) and (*b*) of the Audit Resolution and is within the powers of sanction of the Government of India, under the orders of the Secretary of State, conveyed in his telegram, dated the 1st February 1916.

An estimate of the money value of the concessions at (*b*) above has not been given. These are subject to the limits, laid down in Rule I of the Statutory Rules, referred to in Rule III (9) of the Audit Resolution.

Later.

Terms of Reference.—It is urged that, for the following reasons, the case does not fall within the purview of the Statutory Rules.

The forest concessions are covered by the words "or for the purpose of securing the exploitation of Forest produce from State Forests" which occur at the end of the preamble to the Statutory Rules. The contract with the firm is in the nature of a 'purchase' contract and, as such, is specially exempted from the Statutory Rules, under the orders of the Secretary of State in his despatch No. 133-Rev., dated the 3rd December 1909. The Government of India have all along interpreted the Secretary of State's orders of 1909 as exempting all forest contracts from the operation of the Statutory Rules. This view was expressed in their Revenue and Agriculture Department letter No. 591-F., dated the 24th June 1914, which formed an enclosure to Government of India, Revenue and Agriculture Department despatch No. 11, dated the 10th November 1916, and the Secretary of State did not make any adverse comments in his reply.

Comptroller General's decision.—I must adhere to my previous decision. The words "or for the purpose of securing the exploitation of forest produce from State Forests" lend themselves to a broad interpretation, as might be expected in an amendment of Statutory Rules; but it is necessary to consider what the intention was when they were inserted. The correspondence leading up to the issue of the Secretary of State's despatch No. 133-Rev., dated the 3rd December 1909, shows that the question then under consideration related only to 'purchase' contracts in connection with forest produce. A 'purchase' contract is a simple one and allows the contracting party to fell trees and extract timber and other forest produce on royalty terms. The forest concession proposed in the present case differs materially from a 'purchase' contract and from the class of case, which was before the Secretary of State, when the words quoted above were inserted in the Statutory Rules. Under the agreement proposed to be entered into with the firm, it is stipulated that the Government will cut and deliver at the factory,

1,000 colonists at rates varying from Rs. 10 to Rs. 12 a month each 1,44,000 *per annum.*

The Accountant General, Burma, holds that as the monthly recurring allowances (amounting to Rs. 1,44,000 a year) to ticket-of-leave men are payable to a succession of men, they are permanent in their nature and are of the character of remuneration paid to a permanent establishment. On the analogy of Rule 10 (6) of the Provincial Audit Resolution the sanction of the Secretary of State is necessary.

The question for decision is whether the sanction of the Secretary of State is necessary to the scheme.

Comptroller General's decision.—The payment to ticket-of-leave men of monthly allowances amounting to Rs. 1,44,000 a year does not require the sanction of the Secretary of State. On the analogy of the ruling of my predecessor in case No. 55* in the summary of Audit Decisions, Volume IV, for the period ending 28th October 1914, with which I agree, the expenditure on allowances to prisoners during a portion of their term of imprisonment, in consideration of the work to be done by them in the colony, cannot be held to be devoted to an object outside the ordinary work of administration. Nor can such allowances be regarded as remuneration granted in connection with the revision of permanent establishments, as contemplated in Rule 10 (6) of the Provincial Audit Resolution.

The proposals are therefore within the competence of the Local Government to sanction.

(A. R Vol. VI—28.) (Files No. 468-A. & A of 1917 and No. 59-Code of 1927.)

(55)

M. A. R. of 1918—" Unusual "—Refund of legal charges incurred by Government servants who were tried and acquitted on charges brought against them in their official capacity, is not unusual.

Terms of Reference.—An Inspector of Police with the aid of two head constables, brought to light five cases of counterfeiting currency notes, of which four resulted in convictions. While these cases were being tried, the accused persons laid a complaint of extortion and bribery against the Police officers concerned and after departmental enquiry these officers were placed on their trial. The Magistrate discharged them and classed the cases as false. It is now proposed to refund to the police officers, the expenses incurred by them in their defence. The question for decision is whether the reimbursement of expenses in this case is within the powers of sanction of the Local Government.

* *See* Section III-A, Ruling No. 20

Comptroller General's decision.—The Ruling in Item No. 6,* Audit Rulings, Volume V, was not a general ruling, but applied only to the particular case, then under consideration. In the present case, we have Government officers against whom a false charge was made in consequence of good work done by them in the discharge of their official duties, but whose prosecution was ordered as a preliminary enquiry [illegible]
them. It is laid do[illegible]
way Open Line Code [illegible]
evidence that a railway employé has acted improperly, he should be left to conduct his own defence, the question of the railway contributing towards the cost of the defence being subsequently referred for the orders of the Railway Board, if considered desirable." I understand that the principle of these orders regulates in practice the action of Government as regards officers generally and they should in my opinion be taken into consideration in deciding the question of sanction. Applying the orders to the present case, I am of opinion that the proposed compensation does not require the sanction of the Government of India or of the Secretary of State as being "unusual or outside the ordinary work of administration".

(A. R. Vol. VI—48.) (Files No. 560-A & A. of 1917 and No. 59-Code of 1927.)

(56)

M. A. R. of 1918—"Unusual".—Employment of shopkeepers for provisioning police guards stationed at out of the way places is not unusual.

Terms of Reference.—The Punjab Government have taken over from the military authorities the work of guarding the two railway bridges at Abdul Hakim and Adamwahan in the Punjab and as the bridges are situated in out of the way places, have employed two shopkeepers on Rs. 7 and Rs. 8 a month, for provisioning the police guards, stationed there. The Accountant General, Punjab, has held that the expenditure thus incurred is unusual and that, if it does exceed or is likely to exceed Rs. 500, the sanction of the Secretary of State will be necessary, under Rule III (1) (*a*) of the Audit Resolution and Note 1 thereunder. The question for decision is whether this view is correct.

Comptroller General's decision.—The expenditure is not unusual or devoted to an object outside the ordinary work of administration within the meaning of Rule III (1) (*a*) and (*b*) of the Audit Resolution and is therefore within the powers of sanction of the Local Government.

(A. R. Vol VI—41.) (Files No. 589-A & A. of 1917 and No. 59-Code of 1927.)

* This ruling has not been reproduced in this compilation.

(57)

M. A. R. of 1918—" Unusual ".—The sanction of the Local Government was sufficient for the grant of Rs. 1,000 to a Co-operative Bank for the construction of a building.

Terms of Reference.—The Government of the United Provinces sanctioned a free grant of Rs. 1,000 to a Central Co-operative Bank towards the construction of a building for the Bank. The grant has been sanctioned mainly in consideration of the fact that the Bank is a co-operative institution doing good work among the tenants of a large estate, owned by Government. The question for decision is whether the sanction of the Secretary of State is necessary.

Comptroller General's decision.—Having regard to the amount of the grant and the special relations between Government and the members of the Society in this case, I am of opinion that a reference to the Secretary of State is not necessary and that the sanction of the Local Government is sufficient.

(A R Vol. VII—4.) (Files No. 179-A. & A. of 1918 and No. 60-Code of 1927.)

(58)

M. A. R. of 1918—" Unusual ".—Presentation of shields to districts to encourage recruitment was within the ordinary work of administration.

Terms of Reference.—It is proposed that the Lieutenant-Governor, United Provinces, might offer shields to the six districts in that Province, which shew the best recruiting percentages for the 12 months from the 1st June 1918 to the 31st May 1919. The cost of the shields, which are to be suitably inscribed, is estimated at about Rs. 6,000, and they will become the permanent property of the districts winning them and will be kept in some public place, such as the Town Hall. The question for decision is whether the expenditure requires the sanction of the Secretary of State, as being of a nature unusual or outside the ordinary work of administration.

Comptroller General's decision.—The shields are really prizes offered to induce better recruiting. The expenditure in question may, therefore, be considered as within the ordinary work of administration, and the sanction of the Secretary of State is not necessary.

(A. R. Vol. VII—2.) (Files No. 328-A. & A. of 1918 and No. 60-Code of 1927.)

(59)

M. A. R. of 1918—" Unusual ".—Compensation to contractors on closing down of contracts for certain works due to the cessation of the War was not " unusual " if the claim was legal or equitable.

Terms of Reference.—The question for consideration is:—

(1) Is compensation for stoppage of work due to the cessation of hostilities with Germany to be treated as "unusual" expenditure—

(a) when the contractor is legally entitled to it?

(b) when the contractor has no legal claim, but the claim is equitable?

Comptroller General's decision.—I am of opinion that, where the Government of India are satisfied that the claim to compensation is legal or equitable, the expenditure on such claim is neither "unusual" nor "outside the work of ordinary administration".

(A R Vol VII—23.) (Files No 112-A & A of 1919 and No. 60-Code of 1927.)

(60)

M. A. R. of 1918—" Unusual ".—Expenditure on the supply of tea to employees in the Calcutta Mint, who were required to do overtime work, was not unusual.

Terms of Reference.—The question for consideration is whether the sanction of the Secretary of State is necessary to the proposal of the Mint Master, Calcutta, that he may be authorised to spend Rs. 300 in the purchase of kettles, drinking-cups, spoons, choolas, etc, and Rs 900 a month in the purchase of such comforts as tea, sugar and milk, to be served out to the Mint employees, with the object of counteracting the effects of fatigue and thus increasing the outturn of work during such periods as the Mint may be working overtime after 9 P M.

Comptroller General's decision.—I do not think it is necessary that this matter should be referred to the Secretary of State.

(A R. Vol VII—25.) (Files No 157-A. & A of 1919 and No. 60-Code of 1927.)

(61)

M. A. R. of 1918—" Unusual ".—Secretary of State has recognised that a Railway Superintendent of Police must have a reserved carriage and expenditure on constructing it does not require further sanction of the Secretary of State.

Terms of Reference.—The question for consideration is whether the sanction of the Secretary of State is necessary to the proposal of the Government of Bihar and Orissa to provide the Superintendent of Police, East Indian Railway, Patna, with a reserved railway carriage. It is argued that from paragraph 7 of the Government of India despatch No. 83 (Finl.), dated the 31st March 1910, paragraph 2 of Secretary of State's despatch No. 58 (Ry.),

dated the 15th July 1910, and paragraph 10 of the Government of India despatch No. 311 (Finl.), dated the 1st December 1910, it may be assumed that he has no objection to Superintendents of Railway Police having reserved railway carriages.

Comptroller General's decision.—I accept the view that the Secretary of State recognises that a Railway Superintendent of Police must have a reserved carriage, and that the incidence of cost is one of the questions relating to the miscellaneous concessions to Railway Police, which would have to be taken into consideration in determining the payment to be made by the Railway Company to adjust the account between the Company and Government in respect of Railway Police (*vide* paragraph 3 of the Secretary of State's despatch No. 13-Ry., dated the 26th February 1915). I do not consider, therefore, that the sanction of the Secretary of State is necessary to the proposal.

(A. R. Vol. VIII—24.) (Files No. 274-A. & A. of 1919 and No 61-Code of 1927.)

(62)

M. A. R. of 1918—" Unusual ".—Expenditure in connection with the entertainment of visitors invited to see Pusa Research Institute was not " unusual ", but should have been met by local allowances (compensatory allowances) within the competence of the Local Government.

Terms of Reference.—The Agricultural Adviser to the Government of India has proposed that an annual budget provision of Rs. 1,000 may be sanctioned by the Government of India to meet expenditure in connection with the entertainment of visitors invited to see special demonstrations, experiments, etc., conducted at the Pusa Research Institute. The question for decision is whether the proposed expenditure is not " unusual " requiring the sanction of the Secretary of State under Rule III of the Main Audit Resolution.

Comptroller General's decision.—A permanent grant of this nature must in essence be an allowance, which may be split up over some of the Pusa officials.

The entertainment of official guests is a burden which is imposed to a greater or a less degree on almost every Government servant. This burden is a factor which may be taken into account in determining whether the expensiveness of the locality or duty is sufficient to warrant the grant of a local allowance, for which the sanction of the Secretary of State is not required.

(A. R. Vol. VIII—31.) (Files No. 323-A. & A. of 1919 and No. 61-Code of 1927.)

(63)

M. A. R. of 1918—" Unusual ".—Grant of *Jangi Inams* to Imperial Service Troops from Indian Revenues requires the sanction of the Secretary of State, as the pay and pension of these troops are primarily the responsibility of the States concerned.

Terms of Reference.—The question for consideration is whether the grant of *Jangi Inams* (grants of lands or pensions for war services) to Imperial Service Troops from Indian Revenues requires the sanction of the Secretary of State.

Comptroller General's decision.—I understand that the cost of these *Jangi Inams* in the case of the Indian Army will fall eventually on Indian revenues. The pay and pension of Imperial Service Troops are primarily the responsibility of the States concerned. The sanction of the Secretary of State will, therefore, be necessary before *Jangi Inams* can be granted to Imperial Service Troops from Indian revenues.

(A. R. Vol VIII—48.) (Files No. 457-A. & A. of 1919 and No. 61-Code of 1927.)

(64)

M. A. R. of 1918—" Unusual ".—Payment of compensation to friendly villages which were raided and burnt by Kuki rebels was " Unusual " and required the sanction of the Secretary of State.

Terms of Reference.—The Chief Commissioner of Assam proposes to pay a sum of Rs. 1,75,000 out of Government Funds to loyal Kukis for damage done to them by rebel Kukis. Out of this amount, he hopes to realise some Rs. 25,000 in fines which will be payable to Government, and the balance he hopes to take out in penal communal labour, the benefit of which will go to the Manipur State, which is not in a position to pay Government for it. The ground for the Government paying the compensation is " moral obligation," because the rebellion was due to past mismanagement *by its own officers The question for consideration is whether the* proposed expenditure requires the sanction of the Secretary of State.

Comptroller General's decision.—The expenditure is unusual and requires the sanction of the Secretary of State.

(A. R. Vol. VIII—47) (Files No 465-A. & A of 1919 and No. 61-Code of 1927.)

(65)

M. A. R. of 1918—" Unusual ".—A grant for the repair of a protecting wall of a tank of a great antiquity and sanctity was not " unusual ".

Terms of Reference.—The question for consideration is whether a grant of Rs. 400 by a Governor of a Province to the Mutwali of a mosque for repair of a portion of the protecting wall of a tank adjoining the mosque in consideration of the fact that the "tank is a place of considerable antiquity and sanctity and a favourite resort of pilgrims", requires the sanction of the Secretary of State, in view of the fact that a similar grant of Rs. 300 for the same object was made in 1916.

Comptroller General's decision.—There is no need for a reference to the Secretary of State in this case.

(A R Vol. VIII—63) (Files No 702-A. & A. of 1919 and No. 61-Code of 1927.)

(66)

M. A. R. of 1918—"Unusual".—The grant of Rs. 2,000 a year for five years towards the salary fund of officers engaged on the supervision and audit of accounts of Co-operative Credit Societies is not unusual expenditure.

Terms of Reference—It is proposed to grant Rs. 2,000 a year for 5 years towards the salary fund of "Girdawars" of Ajmer-Merwara (a body of officers corresponding to sub-inspectors in other places) engaged on the supervision and audit of accounts of Co-operative Credit Societies. It is urged that the proposal merely involves the payment from Government funds of a portion of the salary of a class of officials who in other provinces are paid entirely by Government. The question for decision is whether the grant requires the sanction of the Secretary of State.

Comptroller General's decision.—In Bihar and Orissa audit is being transferred to an Audit Federation; elsewhere, however, it is still being provided by Government. I agree, therefore, that the provision by Government for 5 years of part of the cost in Ajmer-Merwara cannot be held to require the sanction of the Secretary of State as unusual expenditure.

(A. R. Vol. VIII—69.) (Files No. 41-A. & A. of 1920 and No 61-Code of 1927.)

(67)

M. A. R. of 1918—"Unusual".—Publicity work in the provinces is within the ordinary work of administration.

Terms of Reference.—It was proposed to establish a vernacular journal in a province at an initial cost of Rs. 22,000 a year and Rs. 53,000 recurring expenditure and the Secretary of State's sanction was obtained to the scheme on the ground that the expenditure was of an unusual nature and outside the scope of ordinary administration. The amount proposed to be spent in 1919-20 was Rs. 2,44,500 and the question for consideration was whether the

sanction of the Secretary of State was necessary. It was urged, that the time had arrived when expenditure on publicity work should no longer be treated as unusual expenditure, falling within the purview of Rule III (1) (a) of the Main Audit Resolution, and as such the sanction of the Secretary of State was not necessary.

Comptroller General's decision —I agree that the time has come when expenditure on publicity work can be regarded as expenditure which is within the ordinary work of administration. But as it has hitherto been the practice to obtain the Secretary of State's sanction in each individual case, I think he should be informed by Secretary's letter of this ruling.

(A. R Vol VIII—75) (Files No. 126-A. & A. of 1920 and No. 61-Code of 1927.)

(68)

M. A. R. of 1918—" Unusual ".—Payment of arrear wages to certain Arab Lascars from outside the British Protectorate at Aden, who were interned in Germany on the outbreak of the War, and were returned to Aden on release, was " unusual " and required the sanction of the Secretary of State.

Terms of Reference.—Question for consideration is whether it is within the competence of the Government of India to pay the arrears of wages of Arab Lascars belonging to Yeman (*i.e.*, outside Aden British Protectorate) who had been employed on German vessels at the outbreak of War, were interned at Hamburg and have now been repatriated to Aden.

Auditor General's decision.—The sanction of the Secretary of State is necessary because—

(1) the charges are unusual and are on account of claims of non-British subjects;

(2) the revenues of His Majesty's Government will be involved; and

(3) the Board of Trade do not appear to entertain similar claims made by British subjects.

(A. R. Vol IX—23) (Files No. 424-A. & A. of 1920 and No 62-Code of 1927.)

(69)

M. A. R. of 1918—" Unusual ".—The construction of a hotel Circuit House at the Summer Headquarters of a Local Government is " unusual ".

The construction of a set of flats would be " unusual " if they were not brought under the same rules as ordinary residential quarters.

Terms of Reference.—The Local Government of B——— proposed to construct a hotel Circuit House at M——— (Sum-

mer headquarters) owing to the want of hotels and to the difficulties of providing house accommodation for officers. The estimated cost of the building amounted to Rs. 2,11,845 and it was proposed to recover full rent from the occupants for the building, electric light, installation, furniture, and linen. It was also proposed to make catering arrangements for the occupants. The question for consideration is whether the sanction of the Secretary of State is necessary if the catering arrangements involve Government in no kind of financial liability.

Auditor General's decision.—Sanction of the Secretary of State is necessary even if Government has nothing whatever to do with catering arrangements beyond placing them in the hands of a contractor, because expenditure on a building of this kind is of an unusual nature. The building is not an ordinary official residence or a Circuit House, or an inspection bungalow. Proof of the unusual nature of the building is that it is not possible to apply to it the rules in Article 325 of the Public Works Department Code for the assessment of rent, as no one is bound to occupy the quarters for any length of time nor is liable to rent even if he does not occupy.

II.

The same Local Government also proposed to construct a set of flats at Government expense at R———, the permanent headquarters of the Local Government, to furnish them and to have catering arrangements as in the case of the summer Headquarters. The question for consideration is whether the Secretary of State's sanction is necessary. According to the principle of the above ruling the sanction of the Secretary of State is necessary, but a reconsideration of the above decision was strongly urged, and on reconsideration the Auditor General gave the following decision:—

The sanction of the Secretary of State is required unless the Local Government is prepared to give an undertaking that—

(1) every flat is allotted to an official and he be compelled to occupy it and be responsible for the rent;

(2) the rent assessed for each flat is assessed in accordance with the rules set forth in the Public Works Department Code (10th edition) on class I buildings (paragraph 325). That a full year's rent so calculated will be recovered from the officers who occupy the flat irrespective of the total number of months during which the flat is actually occupied in the course of the year;

(3) the total rent assessed on all the flats shall not be less than what would be assessed in accordance with the rules in the Public Works Department Code were the whole building treated as a class I building under paragraph 325 I, Public Works Department Code (10th edition); and

(4) the Government will incur no financial liability on account of catering arrangements

(A. R. Vol IX—34) (Files No 480-A. & A of 1920, No 617-A. & A. of 1920, and No. 62-Code of 1927.)

(70)

M. A. R. of 1918—" Unusual ".—Any liability incurred in the creation of a temporary post under Government for supplying an officer to a Municipality is unusual.

Terms of Reference.—Under the Madras City Municipal Act of 1904 the Engineer for the Madras Corporation had to be appointed by the Madras Governmen
ed Engineer for the Corporation in
the Secretary of State for five years,
by five years and then by three years under agreement with the Madras Government. The Madras City Municipal Act has since been modified and the new Act—Madras City Municipal Act of 1919—empowers the Corporation to appoint the Engineer subject to confirmation by the Governor in Council. The Corporation wants to retain Mr. M —— as its Engineer, but Mr. M —— is not willing to continue to work under the Corporation unless his agreement is with Government and he continues to be treated as a Government servant. The Government of Madras accordingly proposes to create a temporary appointment of a special Engineer on Rs. 2,500 for three years, to appoint Mr. M.—— under agreement to the post, and to transfer him to the Madras Corporation on Foreign Service conditions. The terms of the proposed agreement *inter alia* are—

(1) the grant of leave earned and not taken under the previous agreement; and

(2) the grant of passage to England and back on one occasion of leave and of passage to England on the termination of the agreement.

The question for decision is whether there is any objection to the arrangement proposed.

Auditor General's decision.—The creation of a temporary appointment under Government for the purpose of supplying an officer to a Municipality is unusual, and requires the sanction of the Secretary of State, if any liability to General Revenues is incurred by it. There is, therefore, no objection to the arrangement proposed, provided only—

(1) it is made clear that it will not give the officer any claim to pension from General Revenues or any claim to a substantive appointment under Government on the termination of his employment under the Corporation either within or after the period of his agreement; and

(2) the Madras Corporation agree to pay the allowances in respect of the leave earned under the previous agreement and the cost of the passages, etc., irrespective of the circumstances in which the officer leaves the service of the Corporation.

(A. R. Vol. IX—66) (Files No. 46-A & A. of 1921 and No. 62-Code of 1927.)

(71)

M. A. R. of 1918—" Unusual ".—The transfer of an *experimental sugar farm from a Local Administration to a Company*, involving a cash payment of Rs. 60,000 to the latter, was not " unusual " since the expenditure was to relieve Government from a legal liability.

Terms of Reference.—The administration maintained at a loss an experimental sugar farm from 1913-14 to 1919-20, under the terms of two agreements with one Mr. ——, the second of which expires in March 1924. The loss was principally in the maintenance of sugar-cane plantation over a certain area, the whole of the produce from which was, according to the terms of the contract, to be supplied to Mr. —— at certain stipulated rates. In March 1919, Mr —— transferred his rights and obligations under the agreement to Messrs ——as Managing Agents of a limited concern. As the Government of India decided not to take the farm under the Imperial Department of Agriculture, the Local Administration has negotiated with Messrs.———and, as a result, has transferred to them the farm, and has paid to them Rs. 60,000 in cash, besides all Government implements, buildings, etc., resulting in a net loss to Government of Rs. 1,30,000. The question for consideration is whether the sanction of the Secretary of State is necessary in this case in view of the expenditure being of an unusual nature.

Auditor General's decision.—As the expenditure incurred in this case was with a view to relieve the Local Administration from its liability to maintain at a loss a sugarcane plantation for the purpose of supplying cane under the terms of its contract, I think that the transaction is reasonable and may be held to fall within the ordinary work of administration. The sanction of the Secretary of State is not necessary but in view of the failure of the experiment and the heavy loss to Government involved thereby, a report to the Secretary of State is necessary.

(A. R. Vol. IX—57.) (Files No 47-A. & A of 1921 and No 62-Code of 1927.)

SECTION III-B.—AUDIT RULINGS RELATING TO ONE SCHEME RULE.

(1)

One Scheme Rule.—The several parts of a scheme should be regarded as one for the purpose of sanction if the authority originating the scheme intended it to be acted on as a whole.

Terms of Reference.—In 1910 the Government of the United Provinces of Agra and Oudh appointed a Committee to enquire into the methods of work, the rates of pay, and the adequacy of the subordinate establishments in all Government offices in the Provinces. The questions for decision are:—

(1) whether the sanction of the Secretary of State is necessary to the grant of Rs. 10 per mensem to each apprentice in the district offices who are at present unpaid:

(2) whether the Government of India will allow the Local Government to dispose of increases of pay in individual departmental offices in which the increased cost will not, in any one office, exceed Rs. 1,000.

Comptroller General's decison.—The real question for decision in this case is, whether all the changes accepted by the Local Government on the report of the Committee are to be treated as one scheme for the purpose of sanction. The Committee was appointed under the Local Government Resolution No. 1276-III-384, dated 15th August 1910, and it is necessary to consider the terms of the Resolution in some detail:—

Paragraph 1.—The Committee was to enquire into the work, the rates of pay, and the adequacy of the subordinate establishments in all Government offices. They were to aim at providing "a working system by which the number and the pay of the clerks in all offices may be regulated in future."

Paragraph 2.—Statistics of the work in each office were to be prepared and scrutinised, methods of work were to be improved, work was to be reduced wherever possible.

Paragraph 3.—Revision of rates of pay was to be considered, mainly to ascertain whether present rates attract suitable candidates, and to equalise the remuneration for the same class of work in all offices.

Paragraph 4.—Extends the same enquiry to departmental offices

Paragraph 5.—Indicates certain points for enquiry, the only one relevant to this note being the employment of apprentices.

The question for consideration in this matter is whether all apprentices should receive an allowance; other questions are irrelevant.

Audit work in connection with this question of "what constitutes a scheme" cannot be satisfactory until the Secretary of State has formulated some guiding principles therewith. Until he has done so, Audit Officers must be reasonably strict in interpreting this difficult point. Sir J.———himself has recorded the opinion in his note dated 2nd November 1908 that the only real criterion is *the intention of the authority who originates the scheme. It seems* fairly simple to apply that criterion to the present case. The question to be asked is, "Did the Local Government, when they appointed the Committee, mean that the report of the Committee should be considered and acted on as a whole?" According as the answer is "Yes" or "No," the recommendations of the Committee must, or need not, be treated as one scheme.

The summary of the Resolution given above leaves no doubt in my mind that the whole enquiry was to be treated as one:—methods of work were to be unified, rates of pay for the same class of work *were to be unified, a working system was to be evolved by which the* number and the pay of the clerks in all offices were to be regulated The deliberate intention was to compare one office with another and put forward a scheme which should give the same rates of pay to clerks doing the same class of work in different offices. There were then certain underlying fundamental principles whereby the treatment of all the offices had to be regulated, and to carry out those principles the recommendations regarding all the offices would have to be *discussed as a whole. As regards the general question, then,* I agree with the Accountant General that the sanction of the Secretary of State is necessary to the revisions of pay which are considered *necessary on a consideration of the proposals of the* Committee

This ruling covers the question of payment of apprentices. They *have been recognised for long as an integral part of the* establishment of Government offices, and I do not think it is possible to disentangle the proposal to give them pay from the various other proposals for an increase of pay to other members of these establishments. No attempt was made to do so when the proposals for improving the Judicial establishments in the United Provinces were submitted to the Secretary of State (*vide* para. 10 of the Government

of India, Finance Department despatch No. 154, dated 13th June 1912).

I am afraid that the Government of India cannot agree to the second proposal of the Local Government The basis of this note is the belief that it was the desire of the Local Government as far as possible to treat all offices on the same lines,—to unify rates of pay for the same work. Until the Secretary of State has accepted the scales for the larger offices, here can be no final decision as to the proper rates of pay for certain works; so that if the proposal of the Local Government were agreed to as regards the smaller offices, the order of the Secretary of State might result in the whole of the scales tentatively fixed for those offices having to be revised.

(A. D. II—32) (Files No. 221-A. & A. of 1913 and No. 51-Code of 1927.)

(2)

One Scheme Rule.—Only the buildings necessary and essential for the administration of the district should be treated as forming part of the scheme for the transfer of the Headquarters of a district from one station to another.

Terms of Reference.—The question for decision is whether the works detailed in Part II of Statement A* submitted by the Assam Local Administration should be treated as forming part of the scheme for the transfer of the Head-quarters of the Sibsagar District from Sibsagar to Jorhat, for the purpose of Rule VI (2) and (4) of the Audit Resolution.

Comptroller General's decision.—The latest pronouncement by the Secretary of State on this subject is to be found in his Railway despatch No. 124, dated 14th November 1913, in which he accepts the proposals of the Government of India contained in their Railway despatch No. 48, dated 21st August 1913. These are contained in paragraph 3 of that despatch and may be summarised as follows:—"The Railway Board proposes that interdependence [illegible] or more [illegible] rposes of [illegible] d ordin- [illegible] the importance of the principle of interdependence as the test to be ordinarily applied we do not desire rigidly to fetter the discretion of the audit authorities as there may be circumstances in which grouping may be held necessary with reference to financial considerations even though the test of interdependence is not clearly satisfied."

*See Annexure.

It will be seen that the Government of India carefully refrained from suggesting that interdependence should be the sole criterion. But for their care in this respect the decision of the Secretary of State in this case might have been contrary to his decision in the Dacca case inasmuch as there must have been very many works included in that project under his express orders which had no interdependence whatever. Inasmuch as this Dacca case must be considered a direct precedent in the case now under consideration it is desirable that reference should be made to the views then expressed by him. These are contained in paragraph 4 of his Public Works despatch No. 12, dated 2nd April 1909, where he says "I may observe that even if no precedents were available I should be of opinion on general grounds of reasonableness that the works including in the building programme required for the establishment of a new provincial head-quarters must be regarded for the purpose of financial sanction as forming one project."

I have discussed generally this question of what constitutes a scheme or group of works for the purposes of sanction in paragraphs 73 to 76 of my Introduction to Indian Government Audit. The views expressed there, of course, have no authority beyond the accuracy of the arguments used therein on the basis of the decisions of the Secretary of State referred to. I have indicated there, however, that in my opinion the general principle as regards the tests to be applied to answer this question are as follows:—

(a) the works should be interdependent, or

(b) the works should be essential and necessary for the purpose of the scheme or project:

(c) all expenditure incurred at or about the same time on objects arising directly from the central idea underlying a scheme must be treated as having been incurred on that scheme.

In this particular case, I do not think that mere coincidence of time and space necessarily brings all works within the one project. There must be a link of purpose as well as of time and space. I agree, then, generally with the view put forward by the Assam Government that it is not necessary to bring within this project all works now in hand or to be undertaken in future at Jorhat unless they have some close connection with the underlying idea of the project, *viz.*, the creation of a new district head-quarters at Jorhat. It will be seen that with the substitution of "district" for "provincial" the Dacca case becomes a direct precedent. In such cases, however, it is far more difficult to apply the principles than to enunciate them, and it is necessary to discuss in detail the works entered in Part II of statement A (see Annexure) which works are thought by the Assam Government to fall outside the Jorhat project.

The Comptrolller considers that they should all form part of the project, because they are all in some way connected with the choice of Jorhat as a head-quarters station. He also says that the name of the project did not at any time describe accurately its nature, and he thinks that it should be altered to 'Improvement and Enlargement of Jorhat.' I cannot support this view. If at the same time and place works are in progress or in contemplation some of which fall within one project while the others have no connection with that project it is not necessary to enlarge the scope of the project so as to include all the works under progress or in contemplation at the same time and place but to treat those works which have no connection with the project as falling outside it altogether for sanction.

The works included in Part II are capable of a certain amount of classification.

Items Nos. (1), (2), (4), (6), (7), (8), (16), (17) and (21).* These are buildings which are being erected at Jorhat in consequence of the location there of the Inspector of Schools of the Assam Circle, the Superintending Engineer, Assam Circle, the Agricultural Chemist, the Central Jail, the Police Training School and a Training School for teachers. One common feature about this group is that they are concerned not with the work of the district but with the work of a larger area, in some cases of the whole province and in other cases of several districts, and while it is true that they would probably never have been erected at Jorhat so long as Jorhat was not a district head-quarters, yet it is equally true that they might have been erected at any other district head-quarters which was found convenient. I do not consider, then, that these need be treated as part of the project. For it is certain that the work of the administration of the district of Sibsagar could have been carried on from Jorhat if not one of these buildings had been erected.

Another classification which may be made is, of those works which, it is alleged, would have been carried on even if the capital had never been transferred from Sibsagar to Jorhat. Thus it is stated that quarters must have been at Jorhat in any case for a Deputy Superintendent of Police, if it had remained a sub-division, because even in that event a Deputy Superintendent would have been posted there (Item 5)

In this class also falls item No. 15—Improvements to Telegraph Office which, it is said, were essential and must have been

*See Annexure.

carried out even if there had been no transfer of capital. With this explanation I agree that this class of items need not be included in the project.

I do not quite understand why No. 26.—Constructing a Dispensary—has been included because it is said that the work will be carried out by the Public Works Department for the Municipality. If this means that the Municipality will pay for the work it certainly need not be included in this scheme for the purpose of sanction.

Items Nos. 9 to 14 deal with improvement of communications in and around Jorhat. It is possible that these or some of these might have been carried out even if Jorhat had remained a sub-division, but on the whole, I am inclined to think that they should be treated as part of the project. It is unlikely, *e.g.*, that Rs. 72,000 would have been spent on metalling roads in the neighbourhood of Jorhat town (see item No. 13) if Jorhat had remained a sub-division.

Another important group of items is Nos. 22 to 25 which are concerned with the substitution of permanent for temporary buildings, or the erection of new buildings, for schools in Jorhat. This I think must be treated as part of the project. On broad lines I think it may be urged that the bulk of this expenditure is really necessitated by the transfer.

Items Nos. 18, 19 and 20 (*i.e.*, Constructing a dark room for the Executive Engineer's office, embedding iron safe in the Public Works Sub-Divisional office, and experiments on materials) are all petty items which I think should be included. It may be true that a *dark room would have been necessary if the head-quarters had* remained at Sibsagar, but as a matter of fact it is being constructed at Jorhat in consequence of the transfer of the Executive Engineer's office from Sibsagar to Jorhat in connection with the general project.

Construction of an office for the Superintendent of Police: The need for this clearly arises from the transfer of the headquarters and it must be included.

The total cost of the works in Part II is Rs. 11,46,867 and under this ruling Rs. 2,74,801 will be debited to this project. Thus the total cost of the works to be included under this ruling will be Part I Rs. 13,77,895 *plus* Part II Rs. 2,74,801 = Rs. 16,52,696 and is thus within the powers of the Government of India to sanction.

(A. D. IV—9.) (Files No. 422-A. & A. of 1914 and No. 53-Code of 1927.)

ANNEXURE.

STATEMENT A. (PART II).

Abstract of cost of works outside the Jorhat Project.

Item No	Name of work.	Amount of estimate.	REMARKS.
1	2	3	4
		Rs.	
	I.—COURT AND OFFICES.		
1	Constructing an office for the Inspector of Schools, Assam Valley Circle.	13,410	Not commenced.
2	Office for the Superintending Engineer, Assam Circle.	20,896	Completed
3	Proposed office building for the Superintendent of Police	12,000	Not commenced.
	II.—RESIDENCES OF OFFICIALS.		
4	Residence for the Superintending Engineer .	33,303	Completed.
5	Constructing quarters for the Deputy Superintendent of Police.	7,668	Not commenced.
6	Residence for the Agricultural Chemist .	14,418	Ditto.
	III.—JAILS.		
7	Cost of converting the District Jail now under construction into a Central Jail for 200 prisoners.	3,27,638	Ditto.
	IV.—POLICE.		
8	Combined Cadets and Constables' Training School.	1,95,091	Ditto.
	Carried over .	6,24,454	

STATEMENT A. (PART II)—*contd.*

Item No	Name of work	Amount of estimate	REMARKS
1	2	3	4
		Rs.	
	Brought forward	6,24,454	
	VII.—COMMUNICATIONS.		
9	Construction of a road in continuation of Barpatra Ali starting from Assam Trunk Road to meet the Malowpathar Road	3,016	Completed.
10	Metalling a portion of the Assam Trunk Road between the Bhogdoi bridge and the Tarajan culvert	12,695	Ditto
11	Constructing culvert on the old Circuit House Road	426	Ditto.
12	Metalling road through the Kayapatti, Jorhat	4 489	Ditto.
13	Metalling roads in the neighbourhood of Jorhat town.	72,248	In progress.
14	Constructing Tarajan bridge over the Kamarbandha Ali.	2,502	Completed.
	IX.—MISCELLANEOUS		
15	Improvements to Telegraph office	991	Ditto.
16	Constructing a Laboratory for the Jorhat Government Farm.	32,107	Not commenced.
17	Erecting a building for the installation of three-roller sugarcane mill and hoisting oil engine for Jorhat Farm.	1,102	Completed.
18	Constructing a dark room and purchasing chemicals, etc., for printing plans in Executive Engineer's Office.	220	Ditto.
19	Embedding iron safe in the Public Works Department Sub-divisional Office, Jorhat.	17	Ditto.
20	Experiments on materials	137	Ditto.
	Carried over	7,54,404	

STATEMENT A. (PART II)—*concld.*

Item No.	Name of work	Amount of estimate.	REMARKS
1	2	3	4
		Rs.	
	Brought forward .	7,54,404	
	X.—EDUCATIONAL.		
21	*Constructing Training School for teachers,* hostels and resident master's quarters	34,219	*Completed.*
22	Constructing Girls' Schools and mistress's quarters.	5,659	Ditto.
23	Additional buildings for the Jorhat High School and constructing hostels and resident master's quarters.	31,468	In progress.
24	Constructing new buildings for the Jorhat Government High School	78,466	Not commenced.
25	Additions and alterations to the residence of the Superintendent, Normal School.	72	Completed.
	XI.—MEDICAL.		
26	Constructing a dispensary building at Jorhat.	37,474	Not commenced.
		9,41,762	
	Add—23 per cent. for Establishment and Tools and Plant on (Rs 9,41,762—50,000)=Rs. 8,91,762.	2,05,105	
	TOTAL .	11,46,867	
	Add—Total amount of Part I . . .	13,77,895	
	GRAND TOTAL .	25,24,762	

(Files No. 422-A. & A. of 1914 and No. 53-Code of 1927.)

(3)

One Scheme Rule.—In connection with the constitution of the new province of Bihar and Orissa, only such expenditure connected with the new Capitals, should be taken as part of one scheme, as is likely to be undertaken in the near future.

Terms of Reference.—The question for decision is whether the following works in connection with the constitution of the new province of Bihar and Orissa should be included in the revised estimate of the project for the new Capitals to be submitted to the Secretary of State for sanction:—

(*a*) High Court buildings;
(*b*) Cost of land to be taken up for a new University;
(*c*) New market buildings;
(*d*) Acquisition of an insanitary area near the High Court site;
(*e*) Buildings for a new University;
(*f*) Buildings for the Accountant General;
(*g*) Construction of a road to connect the new Capital with the Military Cantonment at Dinapur;
(*h*) Forms Press and Store at Gaya Jail; and
(*i*) A residence at Puri.

Comptroller General's decision.—The correspondence which has passed between the Government of India and the Secretary of State shows that only expenditure connected with the new Capitals (Bankipur, Ranchi and the Summer Headquarters to be selected) is to be included in the project. Other expenditure incidental to the formation of the new province should be dealt with under the ordinary rules regulating provincial expenditure. Even in the case of works required in connection with the new Capitals, the project estimate cannot include such of them as are expected to be taken up only in the indefinite future.

On the above principle, items (*a*) to (*d*) should be included in the revised estimate of the project for the construction of the new Capitals. Items (*e*), (*f*) and (*g*) need not necessarily be included in the revised estimate, but should be referred to in the Despatch to the Secretary of State forwarding the revised estimate or any *ad interim* report on the probable excess over the original estimate for the project. The last two items (*h*) and (*i*) should not be treated as forming part of the project for the Capitals, but as ordinary items of provincial expenditure

Later decision.—With reference to items (*c*) and (*d*), as it has now been brought to notice that a market would have been constructed and the insanitary area would have been acquired in any case, I do not consider it necessary to include them in the project

for the construction of the new Capitals. As, however, it appears that the establishment of the Capital at Bankipur has accelerated the acquisition of the insanitary area and has also necessitated the construction of a larger market than would otherwise have been necessary, the expenditure cannot be treated as being unconnected with the project. Particulars in regard to these items should, therefore, be given in the proposed Despatch to the Secretary of State.

(A. R. Vol. II—21.) (Files No. 230-A. & A. of 1915 and No. 55-Code of 1927.)

(4)

One Scheme Rule.—Acquisition of land in connection with a City Extension Scheme is part of the Scheme.

Terms of Reference—The Government of India propose to sanction an expenditure of Rs. 1,05,000 for the acquisition of land in connection with the Delhi City Extension Scheme. The question for consideration is whether the sanction of the Secretary of State is necessary to the expenditure.

Comptroller General's decision.—The sanction of the Secretary of State is necessary to the proposed expenditure, as it forms part of a scheme which will require his sanction.

(A. R. Vol II—22.) (Files No 334-A. & A. of 1915 and No. 55-Code of 1927.)

(5)

One Scheme Rule.—The cost of the scheme for additions to the sanctioned scale of furniture for the quarters of certain classes of soldiers cannot be split up into parts for the purpose of sanction.

Terms of Reference.—The question for decision is whether the scheme for additions to the sanctioned scale of furniture for the quarters of certain classes of soldiers, sanctioned by the Government of India in their Army Department letter No. 15973—5 (Q. M. G.-3), dated the 22nd February 1915, may be financed from the ordinary grant of the Military Works Services without a reference to the Secretary of State. The total estimated cost of the measure is Rs. 79,638 initial, and Rs. 7,964 a year recurring.

Comptroller General's decision.—Under Rule VII (2) of the Audit Resolution, a new measure, the cost of which is debitable to Military Works and exceeds Rs. 50,000, has to be submitted to the Secretary of State in an annual schedule, and under Rule VII (3) no expenditure can be incurred on such a measure unless it is reported to the Secretary of State in the schedule, either before or after the work is started. Under these rules, a measure costing more than Rs. 50,000 requires the approval of the Secretary

of State, although this approval may be obtained through the schedule. In the present case, the estimated cost of the scheme exceeds Rs. 50,000 and so a reference to the Secretary of State is necessary before the expenditure can be admitted in audit. It is not permissible, from an audit point of view, to split up the scheme into parts and have a separate estimate for the work in each station financed through the ordinary grant.

(A. R. Vol. II—27.) (Files No. 383-A. & A. of 1915 and No. 55-Code of 1927.)

(6)

One Scheme Rule.—Revision of the pay of Upper subordinates and of Lower subordinates of the Public Works Department in a province may be treated as separate schemes for the purpose of sanction.

Terms of Reference.—It is proposed to sanction a revised scale of pay for the Public Works Department Lower Subordinate establishment in Bombay at an increased cost of Rs. 47,916 a year. The revision of the scale of pay of the Upper Subordinates in that Presidency is also contemplated. The question for decision is whether the revision of the pay of the Upper and Lower Subordinates may be considered as separate schemes for the purpose of sanction.

Comptroller General's decision.—It is stated that the revision of the Lower Subordinate establishment in Bombay will not of itself lead to the revision of the Upper Subordinate establishment, and that the two proposals are distinct and not interdependent. This being the case, they may be treated as forming separate schemes for the purpose of sanction under Rule III (6) of the Audit Resolution.

(A. R. Vol. IV—25.) (Files No. 418-A. & A. of 1915 and No. 57-Code of 1927.)

(7)

One Scheme Rule.—Grant of increase of pay in lieu of grain compensation allowance to certain establishments under the Madras Government was in pursuance of one central idea and should be regarded as constituting one single scheme.

Terms of Reference.—On the report of a conference of Heads of Departments, appointed by the Government of Madras to consider the question of the abolition of grain compensation allowance, that Government sanctioned the revision of certain establishments, increases of pay being substituted for the allowance. The total cost was more than Rs. 50,000, and the Accountant General held that the revision of the several establishments should be considered as forming one scheme for purposes of sanction and that a reference to the Secretary of State was accordingly necessary under

Rule III (b) of the Audit Resolution The question for decision is whether the view held by the Accountant General is correct.

Comptroller General's decision.—It is an accepted principle that, if two or more establishments are so connected that the revision of one must necessarily lead to the revision of the others, the revision of the establishments should be treated as one scheme. There are, however, cases in which some of the establishments are of themselves entirely separate and in which it might be argued with some force that it would be open to the administrative authorities to stop at any point and decline to proceed with the revision: this has in fact happened in the present instance, temporarily at all events. On the other hand, if the revision of the several establishments is undertaken in direct pursuance of one central idea and is carried out in each case at about the same time solely in pursuance of that idea, the revision should, in my opinion, be considered as constituting a single scheme. We have a precedent for this in the proposals submitted to the Secretary of State with Finance Department despatch No. 281, dated the 2nd October 1913, in accordance with my predecessor's ruling in Section III-B, Ruling 1, and the case is specially quoted on page 67 of the Introduction to Indian Government Audit. The view taken in that case appears to have been accepted by the Secretary of State without comment. I readily admit that this view, if pushed to extremes, might result in what would be an impossible position. For instance, there is, it may be said, one central, although somewhat indefinite, idea underlying the revision of practically all establishments, namely the improvement of the administration, and that therefore my ruling if pursued to its logical conclusion would mean that no establishment could be treated separately in the matter of sanction. In practice, however, each case, in which there is doubt, has to be considered on its merits, and it will be for decision in each case where the line is to be drawn.

In the present case, the Government of Madras called a conference of Heads of Departments to consider the question of the abolition of grain compensation allowance and the substitution of increased pay. The conference was in favour of the suggestion. The Government of Madras, having accepted the recommendation of the conference, invited proposals from various Departments and the revision of the establishments enumerated in Statement B attached to Madras Government letter No. 921, dated the 18th December 1914, was undertaken as a direct result of the proposals received. I am of opinion that the revision of these establishments, carried out at about the same time in pursuance of the one definite central idea, should be considered as a single scheme for the purposes of sanction, and that, as the expenditure incurred has been more than Rs. 50,000, the sanction of the Secretary of State is required.

(A. R. Vol. III—35) (Files No. 582-A & A. of 1915 and No. 56-Code of 1927.)

(8)

One Scheme Rule.—The grant of a temporary allowance to teachers in secondary schools, pending the introduction of a complete scheme for the improvement of their pay and prospects, should not be taken as part of the larger scheme.

Terms of reference.—In 1908, the Government of Bengal submitted to the Government of India a scheme for the improvement of secondary education in Bengal. The scheme was, however, not proceeded with by the Local Government for want of funds. In 1916, the Government of Bengal sanctioned, as a measure of immediate relief to certain classes of teachers in Government Schools, a scheme for the grant of local allowances, costing Rs. 33,120 a year, which was to remain in force only until the introduction of the complete scheme for the improvement of the pay and prospects of secondary school teachers as originally contemplated.

The Accountant-General, Bengal, has held that this scheme forms an integral part of the larger scheme of 1908 referred to above and that the sanction of the Secretary of State is therefore required. The question for decision is whether the view of the Accountant-General is correct.

Comptroller-General's decision.—It is true that these local allowances were sanctioned provisionally and would be swept away if there was a general improvement of pay conditions as was contemplated in 1908. But from this it does not follow that they must be regarded as an integral part of the larger scheme. They are a substitute for that scheme and not an instalment of it and their grant does not in any way oblige the Government to proceed with the general scheme. The sanction of the Secretary of State to the grant of these allowances is therefore not necessary. The Local Government are competent to sanction them.

(A R Vol. IV—27.) (Files No. 266-A. & A. of 1916 and No. 57-Code of 1927.)

(9)

" One Scheme Rule ".—Improvement of the training and pay of teachers in Primary and Secondary Schools in a Province should be taken as one scheme, since the proposals are in pursuance of a single central idea, of which the execution of one part necessarily involves the remainder.

Terms of Reference.—The Government of India have made a recurring grant of Rs. 1,00,000 a year to the Assam Administration for " the improvement of the training and pay of teachers in Primary and Secondary Schools."

The question for consideration is whether the various proposals for the re-organization of the scales of ungraded appointments in Government Anglo-Vernacular and Middle Vernacular Schools for boys, in Middle English and Middle Vernacular Schools for girls,

and in certain Normal Schools, which were put forward by the Director of Public Instruction, Assam, for the utilization of this grant, are to be grouped together as one scheme for determining the sanctioning authority.

Comptroller General's decision.—I do not consider that the mere fact that a recurring grant has been made by the Government of India for a particular object, need necessarily involve the treatment as one scheme of all the different proposals put forward for the utilization of the grant in question. Thus, if the grant were "for the improvement of communications within the province," it is obvious that the construction of one road from that grant would rarely, if ever, necessitate the construction of any other road. There would be no necessary correlation between the various objects of the expenditure, and the purpose of the grant is far too vague and inchoate to constitute a "central idea," involving the grouping together of all the proposals consequent thereon. I do not think, however. that argument applies in this particular case. "The improvement of the training and pay of teachers in Primary and Secondary Schools" is a well defined object and there are good reasons for assuming that any improvement in the pay and prospects of teachers in Anglo-Vernacular Schools would necessitate the grant of similar terms to masters in Middle Vernacular Schools. I am of opinion, therefore, that in this case the detailed proposals should be grouped together for determining the authority which may sanction the new proposal.

Having expressed my opinion on the technical aspect of the case, I think it necessary, however, to dwell on other and more important considerations. The main object of the rules for determining what constitutes a scheme or group of works is to debar a lower financial authority from undertaking expenditure which necessarily involves other expenditure if the total cost of all the inevitable expenditure is beyond the powers of sanction of that authority. In this case, however, the recurring grant of Rs. 1,00,000 a year has been made by the Government of India with the express or implied sanction of the Secretary of State. Thus the superior financial authority has expressed its willingness to the incurring of expenditure up to the amount of the recurring grant, and it is open to the authority, which has sanctioned the grant, to determine the extent to which it wishes to consider the details of the proposals for utilizing the grant. In doing so, it may say that in determining the sanctioning authority, the ordinary rules relating to schemes or groups of works need not be applied.

(A. R. Vol VII—41.) (Files No. 319-A. & A. of 1918 and No. 00-Code of 1927.)

(10)

"One Scheme Rule".—The opening of a number of classes for the training of Primary School teachers requires sanction as forming "one scheme".

Terms of Reference.—It is proposed to open a number of classes for the training of primary school teachers in the Bombay Presidency at an estimated cost of Rs. 3,00,000 a year recurring and Rs. 26,000 non-recurring. It has been urged that as there is a well defined idea underlying these classes, *viz.*, the improvement of the training of primary school teachers, they should be considered as forming "one scheme" for purposes of financial sanction. The question for decision is whether this view is correct.

Comptroller General's decision.—The view is correct.

(A. R. Vol VII—24.) (Files No 113-A. & A. of 1919 and No. 60-Code of 1927.)

(11)

One Scheme Rule.—The construction of officers' bungalows by the Bombay, Baroda and Central India Railway in Bombay should not be considered for purposes of sanction, as part of a scheme for housing Government and Railway officers, since the Bombay, Baroda and Central India Railway buildings do not necessarily entail a provision for other houses.

Terms of Reference.—The Bombay, Baroda and Central India Railway propose to purchase a plot of land on Jahu Island near Santa Cruz in Bombay at a cost of Rs. 2,27,000 for the construction of officers' bungalows. Owing to the difficulty in securing house accommodation in Bombay, the question of housing Government and Railway officers at that station has become a general one and different schemes for different classes of officers are under contemplation. The question for consideration is whether the Bombay, Baroda and Central India Railway Scheme should be considered as a part of the general scheme for the purpose of sanction, as all the different schemes are governed by one central idea.

Comptroller General's decision.—The provision of houses for the officers of the Bombay, Baroda and Central India Railway does not necessarily entail the provision of houses for Government officials in Bombay nor will it be undertaken definitely in pursuance of an avowed policy.

I think, therefore, it can be considered by itself for the purpose of sanction.

(A R. Vol. VIII—17.) (Files No 312-A. & A. of 1919 and No 61-Code of 1927.)

(12)

"One Scheme Rule".—The construction of quarters for Government servants which is in pursuance of a definite policy

should be required as part of a single scheme for the purpose of sanction.

Terms of Reference.—The Chief Commissioner———————accorded administrative approval to the construction of four quarters for four out of the six Provincial Service officers employed under the Local Administration at a cost of Rs. 9,960, Rs. 9,960, Rs. 12,005 and Rs. 13,800, respectively. The question for consideration is whether the sanction of the Government of India is necessary.

Comptroller General's decision.—The correspondence shows clearly that the erection of three houses is in pursuance of a definite policy of providing house accommodation for Provincial Service officers employed in————. The erection of these four houses therefore constitutes one project within the meaning of note (2) to rule 10 (18) of the Provincial Audit Resolution and as their total cost is in excess of Rs. 20,000 the sanction of the Government of India is necessary.

(A R Vol. VIII—72) (Files No. 737-A & A of 1919 and No. 61-Code of 1927.)

(13)

One Scheme Rule.—An experiment preliminary to the preparation of a scheme does not require sanction as forming a part of the whole scheme.

Terms of Reference.—The Government of India are preparing a scheme for the establishment of a School of Mining and Geology at Dhanbad which in due course will be submitted to the Secretary of State. Preliminary to this scheme certain investigations have to be carried out to make certain that the water supply at the proposed site of the school is adequate. The cost of the investigations is estimated at Rs. 6,000. The question for decision is whether for purposes of sanction the investigations should be regarded as forming part of the scheme as a whole.

Auditor General's decision.—I am prepared to recognise that work of preliminary inquiry, survey or experiment which must necessarily precede the preparation of any scheme which may eventually require the sanction of the Secretary of State in Council, need not be considered as forming part thereof and as such requiring his sanction

(A. R. Vol. X—26) (Files No 45-Audit of 1921 and No. 63-Code of 1927.)

(14)

One Scheme Rule.—The establishment of one college out of a scheme for four colleges would not necessitate as an inevitable consequence, the completion of the whole scheme, and in this case, the "one scheme" rule may be disregarded.

Terms of Reference.—A scheme had been put forward for the establishment of four intermediate colleges in a town in Bengal at an estimated cost of Rs. 16,08,000 non-recurring and Rs. 66,016 per annum recurring. It involved re-distribution of certain appointments within the Indian Educational Service Cadre and under the orders conveyed in the Secretary of State's Despatch No. 133-Public, dated the 25th September 1920, the sanction of the Government of India is necessary and a subsequent report to the Secretary of State. A start was made in July 1920 by the formation on a temporary basis of one of the four colleges. The question for decision is whether the whole scheme will now require the sanction of the Secretary of State.

Auditor General's decision.—If the whole scheme had been started and carried out after the advent of the Reforms the sanction of the Secretary of State would not have been necessary. I am confident that the Secretary of State does not desire the general principle of the one scheme rule to be strained so as to require a reference to him regarding expenditure which would not require his sanction if incurred after the advent of Reforms, I doubt whether the action taken last year in respect of formation of one of the colleges would necessitate as an inevitable consequence the completion of the whole scheme and I am therefore prepared in the exercise of my discretionary powers to say that the one scheme rule can be disregarded in considering now whether the sanction of the Secretary of State is necessary.

I am of opinion therefore that the sanction of the Secretary of State is not necessary in this case.

(A R Vol X—14) (Files No. 292-A & A. of 1921 and No 63-Code of 1927.)

SECTION IV.—AUDIT RULINGS RELATING TO THE FUNDAMENTAL RULES.

F. R. 3.—The application of the rules in the Civil Service Regulations to govern the allowances of Military Officers is irregular.

(*See* Section V, Ruling 1 relating to Article 1, Civil Service Regulations.)

(Files No. 459-A. & A. of 1916 and No. 58-Code of 1927.)

(1)

F. R. 3 and 35 and C. S. R. Art. 168.—The charge allowance to Marine Officer is not affected by the abolition of appointments to be in charge of current duties under the Fundamental Rules.

Sanctions to charge allowance given prior to introduction of Fundamental Rules may be treated as an order under Fundamental Rule 35 reducing pay for officiating.

Terms of Reference.—An officer placed in charge of the current duties of a Port Officer during the absence on tour of the latter was granted an allowance of Rs. 200 per month under Government of India, Finance Department letter No. 119, dated the 10th March 1883 Under Article 168 (*a*), Civil Service Regulations, no such allowance was admissible unless the old incumbent actually gave over charge or was under suspension. The allowance in question was however admissible under the special orders quoted above as an exception similar to the case provided for in Article 168 (*b*), Civil Service Regulations. From the date of introduction of the Fundamental Rules, appointments to be "in charge" are abolished. The question for consideration is whether the allowance in question ceases to be admissible from 1st January 1922.

Auditor General's decision.—The pay and allowances of Port officers and Deputy Port officers are governed by the Marine Regulations, India, Volume 1. As the Fundamental Rules do not apply to Government servants whose conditions of service are governed by Marine Regulations (*vide* Fundamental Rule 3), the introduction of the Fundamental Rules does not affect the grant of charge allowance to the officer appointed to hold charge of the current duties of a Port officer.

2. Even if the Fundamental Rules did apply, the allowance in question would have continued to be admissible. Fundamental Rule 35 has been framed expressly to meet cases in which, under the Civil Service Regulations charge allowances were permissible and it would be quite correct in audit, in view of the provisions of section 96-B (4) of the Government of India Act, to regard as

order fixing a charge allowance passed prior to the introduction of the Fundamental Rules as though it had been continued by an order of the local Government under Fundamental Rule 35.

(A. R Vol. XIII—7.) (Files No 291-Admn. of 1925 and No 66-Code of 1927.)

(2)

F. R. 9 (8).—Fees recovered from shipowners for work done on Sundays, are part of general revenues.

Terms of Reference.—The question referred for decision was whether the grant of a monthly contribution from Sunday fees to a Recreation Club for Customs Preventive Officers required the sanction of the Secretary of State.

Comptroller General's decision.—These fees are recovered under section 72 of the Sea Customs Act, 1878, from shipowners for work done on Sundays and holidays. The manner in which such fees should be utilised had been discussed by the Government of India Sir J————, the then Financial Member, in his note dated 10th June 1895, stated that " there is no necessary connection between the receipts for Sunday permits and the payments of officers' salaries Such receipts and payments should be simply merged (so far as the ship and the officers affected are concerned) in the receipts and payments of the ports " The matter subsequently came up before His Excellency the Viceroy (Lord E————) who, in the concluding portion of his Minute, dated 17th July 1895, stated " I shall certainly support the view that all the receipts and payments must be merged in the receipts and payments of the port, for I think the treating of these fees as a separate fund to be devoted to charity is essentially wrong " It was clear, therefore, that the Sunday fees form part of general revenues, and as such it was held that the ordinary rules of audit must apply to any payments made out of them.

(A D. 21 of 12-13) (Files No 319-A. & A of 1912 and No 50-Code of 1927.)

(3)

F. R. 9 (8).—Payments to Government servants out of the realised assets of enemy trading concerns are not payments from general revenues.

Terms of Reference.—The question for decision is whether allowances sanctioned to Government officers for additional duties imposed on them as the result of the various ordinances relating to the winding up of enemy trading concerns, which are ultimately to be charged against recoveries made from the assets of the trading concerns, should be treated as ' remuneration ' for the purpose of determining the authority competent to sanction them under the rules in the Audit Resolution.

Comptroller General's decision.—It is argued that, as the recoveries from the trading concerns are to be made in the shape of a percentage levy on the realized assets of the firms. and are, in the first instance, to be taken to a suspense head in the Government Accounts, they should be considered as constituting a 'local fund' which falls within the definition of 'general revenues' as used in the Audit Resolution I do not think this view is sound. If the additional allowances were paid to the Government Officers direct every month from the assets of the firms, they would not be treated as paid from 'general revenues'. The fact that, for the sake of convenience, the recoveries made from the firms take the shape of a percentage levy and are in the first instance taken to a suspense head in the Government Accounts does not really affect the question The percentage levy taken to a suspense head cannot be considered a 'local fund' as defined in Article 266, Civil Account Code, Vol. I, 7th Edn., or as a 'local fund' from any broader standpoint. The allowances do not fall within the description of 'remuneration' as defined in the Audit Resolution.

(A R Vol V—28) (Files No 43-A. & A. of 1917 and No. 58-Code of 1927.)

(4)

F. R. 9 (9). F. R. 9 (25).—The substitution of an honorarium per lecture for a consolidated special pay sanctioned by the Secretary of State to a Civil Surgeon for Professorial duties is irregular.

Terms of Reference.—In Finance Department despatch No. 413, dated the 2nd September 1920, [illegible]
mended the transfer of the Lahore
its separation from the Lahore Me
of the despatch they said:—

"The Civil Surgeon, Amritsar, will deliver lectures on Midwifery and Forensic Medicine and will receive an allowance of Rs. 400 a month for this additional duty."

The proposals were sanctioned by the Secretary of State in his despatch No. 140-Revenue, dated the 9th December 1920.

The allowance of Rs. 400 a month sanctioned for the Civil Surgeon, Amritsar, for the additional duty at the Medical School is classed as 'special pay' under the Fundamental Rules. It is now proposed that the special pay be abolished and the officer be paid an honorarium at the rate of Rs. 32 per lecture or clinique. It is stated that the Civil Surgeon delivers 100 lectures and holds 40 cliniques in the course of a year so that the total reduction in the amount of his emoluments will be small. The question for decision is whether the proposed change requires the sanction of the Secretary of State

Auditor General's decision.—The proposal involves an important modification of the orders of the Secretary of State accepting the recommendation of the Government of India that the Civil Surgeon, Amritsar, "will receive an allowance of Rs. 400 a month" for the additional duty, and the proposal therefore requires the specific sanction of that authority.

(A R. Vol. XIII—6) (Files No 103-A. of 1925 and No 66-Code of 1927.)

(5)

F. R. 9 (23) (b).—The payment to a Metallurgical and Analytical Inspector of Steel Rails, of half the fees levied by Government on private work done by him is not irregular notwithstanding the provision in his contract that he would devote his whole time to the duties of his service.

Terms of Reference.—Dr. ———— has been appointed by the Secretary of State under agreement for three years as Metallurgical and Analytical Inspector of Steel Rails on a pay of Rs. 1,400 rising by Rs. 250 to Rs. 1,900 per mensem. He has now been permitted to undertake work which is thought to fall outside the terms of his contract and the Railway Board propose to pay him one-half of the fees they intend to levy for such work. The question for decision is whether the sanction of the Secretary of State is necessary to this proposal.

Comptroller General's decision.—The relevant points may first be presented. These are—

(1) The terms of the contract. "Dr. ———— is engaged to serve as Metallurgical and Analytical Inspector of Steel Rails." The contract provides that "he shall devote his whole time to the duties of the service and will not engage directly or indirectly in any trade, business or occupation on his own account."

(2) He is a non-pensionable Railway servant, and as such the Secretary of State's despatch No. 65 of 1904 gives the Government of India full power in respect of his emoluments.

(3) The Secretary of State on two occasions at least has expressed the opinion that very strong justification is required for increasing a salary fixed by an agreement (Secretary of State's Railway despatch No. 71, dated 19th October 1906, and Public Works despatch No. 31, dated 19th July 1908).

(4) The Secretary of State has enjoined that the Government of India may not without his sanction act contrary to an opinion expressed by him.

It is clear that the arguments adduced in clauses (3) and (4) above must override the general principles stated in (2) if the opinion expressed by the Secretary of State in (3) is strictly relevant to the present case. In the two cases, however, which were then presented to him, an increase of salary was proposed while the officer continued to do exactly the same work as that for which he contracted, and I do not think that the Secretary of State meant to impress anything further than general sanctity of an agreement.

The present case needs a detailed consideration from this point of view. It will be noted that the contract gives him an unusually precise title. He is to be a Metallurgical and Analytical Inspector of *steel rails*. It is true that the agreement also states that Dr. ———— will devote his whole time to the duties of the service, but I do not think that the interpretation of this phrase can be extended to cover work done for parties with which Government has no concern Nor do I think that the other clause in the contract that "he will not engage directly or indirectly in any business or occupation on his own account" can be pressed too strongly. This clause is inserted in every contract, but it does not prevent an uncovenanted civil servant from being permitted to accept fees which are admissible under Article 74, Civil Service Regulations.

I am of opinion, then, that there is nothing in the agreement which necessitates a previous reference to the Secretary of State.

(A D. IV—39) (Files No. 201-A. & A. of 1914 and No. 53-Code of 1927.)

(6)

F. R. 9 (25).—A provision in the contract of a Government servant appointed to a particular post that he should "also do all things that may be required of him" does not contemplate his being required to perform onerous additional duties in another post without remuneration.

Terms of Reference.—Mr. ———— has been appointed by the Secretary of State under contract for 5 years as Assistant Superintendent, Central Canal Workshops, Amritsar. It is now proposed to place him in charge of the Hydro-Electric Installation at Amritsar in addition to his own duties, and to give him a remuneration in the shape of a personal allowance of Rs. 200 per mensem. The question for decision is whether the grant of this allowance requires the sanction of the Secretary of State.

Comptroller General's decision.—In this case there is to be a very substantial addition to Mr.————'s duties and the point for decision is whether the contract contemplated that he would be asked to accept such an addition to his duties without extra remuneration.

The relevant clause in his contract is clause 3 which indicates that he was employed as Assistant Superintendent of the Central Canal Workshop at Amritsar in the Punjab in which capacity he [illegible] t office and also all [illegible] similar situations in [illegible] uired of him.

I do not think that this contract contemplated Mr. ————'s being required to perform without extra remuneration the onerous additional duties which it is now proposed to impose on him. In other words I do not find in the contract any reason to think that his case should not be treated under the ordinary rules.

I am of opinion, then, that the sanction of the Secretary of State is not necessary in this case.

(A. D. IV—37.) (Files No. 201-A. & A. of 1914 and No. 53-Code of 1927.)

F. R. 9 (25).—The Substitution of an honorarium per lecture for a consolidated special pay sanctioned by the Secretary of State to a Civil Surgeon for Professorial duties is irregular.

[*See* Section IV, ruling 4, relating to Fundamental Rule 9(9).]

(Files No 103-A. of 1925 and No. 66-Code of 1927.)

(7)

F. R. 16.—An alteration in the rate of exchange for lump payments relating to the Indian Civil Service and Military Family Pension Funds requires the sanction of the Secretary of State.

Terms of Reference.—In 1918, it was decided, with the approval of the Secretary of State, that, with effect from 1st December 1917, contributions to the Indian Civil Service and Military Family Pension Funds and Indian Military Widows' and Orphans' Fund should be recovered at the rate of exchange fixed from time to time for calculating exchange compensation allowance, *vide* Finance Department Notification No. 845-F. E., dated 9th July 1918, and Army Instruction (India) No. 722, dated 9th July 1918. In 1919, the *Government of India decided that donations and disparity fines* when paid in lump should be recovered at the official rate of exchange of the day and not at the quarterly rate which would be applied to periodic payments only, *vide* Finance Department Notification No 1196-F. E., dated 11th September 1919, and Army Instruction (India) No 985, dated 18th November 1919. This decision was reported to the India Office in Government of India, Finance Department, letter No. 2051-F. E., dated 22nd November 1919. It is now proposed that the official rate of exchange for the day should be the basis of conversion in all cases of payments of donations and disparity fines whether they are made in lump or in instalments. The question for decision is whether the proposal requires a reference to the Secretary of State.

Comptroller General's decision —The change which is now proposed is in pursuance of the general principle suggested in Finance Department, telegram No. 464-F. E., dated 24th April 1918, and accepted by the Secretary of State in his telegram dated 7th June 1918. I do not consider, therefore, that the sanction of the Secretary of State is necessary. Inasmuch, however, as he was informed by Secretary's letter dated 22nd November 1919 of the change then made regarding the rate of exchange to be applied when donations and disparity fines are paid in lump, I suggest that he be informed by Secretary's letter of the change now contemplated

(A R Vol VIII—76) (Files No 106-A & A. of 1920 and No 61-Code of 1927)

(8)

F. R. 16.—Local Administrations are not competent to grant higher bonus to subscribers to Special Provident Funds, since this power was deliberately restricted by the Secretary of State to Provincial Governments.

Terms of Reference.—In their letter No. 1785-F. E., dated the 25th August 1921, the Government of India asked the Secretary of State to give "Local Governments" the discretion to grant a higher bonus than 75 per cent. subject to a maximum limit of 100 per cent. to specialist officers and to other officials of the Public Works Department who have been, or may in future be, admitted to the benefit of a Special Provident Fund. In granting this power the Secretary of State however referred directly to "Provincial Governments" only. The questions for consideration are:—

(1) whether Local Administrations may be allowed to grant higher bonus to the officers concerned under the Secretary of State's orders referred to above; and

(2) whether this increased power may be exercised by the Government of India.

Auditor General's decision—The Government of India asked for the grant of powers to Local Governments. The Secretary of State sanctioned the grant of powers to provincial Governments. It must be assumed that the change of phraseology was deliberate and therefore the term provincial Governments must be interpreted as in the note to Appendix 1, Civil Service Regulations

The powers granted to a provincial Government may certainly be exercised by the Government of India but not by any other authority not specifically included in the definition of provincial Government.

(A. R. Vol. XI—5.) (Files No. 2-A. of 1922 and No. 64-Code of 1927.)

(9)

F. R. 16.—The constitution of a special Provident Fund for the nursing staff of a hospital requires the sanction of the Secretary of State.

Terms of Reference.—A Provincial Government took over the nursing arrangements of a Hospital in their hands in consequence of which the nursing staff was brought on the establishment maintained by Government.

The Local Government proposed to treat the nurses as non-pensionable under Article 350, Civil Service Regulations, and to admit them to the benefits of a special Provident Fund on the following terms:—

Subscription	$\frac{1}{12}$th of salary.
Interest	5 per cent.
Bonus	100 per cent

The question for consideration was whether the proposal was within the competence of Government of India to sanction.

Auditor General's decision.—It is obvious from Fundamental Rule 16 that the sanction of the Secretary of State has to be obtained to Provident Fund rules and the Government of India will no doubt consider the desirability of obtaining his sanction to certain general rules which he would prescribe for such funds within which the Government of India may sanction detailed rules Until such general sanction is obtained each fund will have to be referred for sanction.

(A R. Vol XI—8) (Files No. 3-A. of 1922 and No. 64-Code of 1927.)

F. R. 17.—The service of an officer of the Telegraph Department recruited in England begins from the date mentioned in his contract with the Secretary of State even if the conditions of Article 631 (ii), Civil Service Regulations, are not strictly fulfilled.

[*See* Section V, Ruling 29, relating to Article 631 (ii), Civil Service Regulations.]

(Files No 203-A. of 1913 and No. 51-Code of 1927.)

(10)

F. R. 21.—The sanction of the Secretary of State is necessary to the abrogation of the application of existing rules to any scheme for a revision of pay which has been sanctioned by the Secretary of State unless his orders specifically permit such abrogation.

Terms of Reference.—In his telegrams, dated the 10th February 1919 and the 18th February 1919, the Secretary of State sanc- [illegible] put forward by the Gov- [illegible] C., dated the 28th Decem- [illegible] a time-scale pay for the

officers of the Imperial Police Service and it was decided to give effect to it with effect from the 1st January 1919.

It is now proposed that,—

(1) Local Governments be given discretion to fix initial pay of the officers concerned on the sanctioned time-scale within the maximum admissible according to length of service, and that Articles 156—158, Civil Service Regulations, *should not be applied;*

(2) Deputy Inspectors-General should count towards increments permanent service rendered in that rank prior to 1st January 1919; and

(3) Existing local, language, and duty allowances should continue to be drawn in addition to the rates of pay sanctioned by the Secretary of State, unless and until orders are issued reducing or abolishing all or any of such allowances.

The question for consideration is whether the above proposals are within the competence of the Government of India to sanction.

Comptroller General's decision.—(1) The proposal to remove this case from the operation of Articles 156—158, Civil Service Regulations, involves a serious departure from the recognised principles governing such cases, and also a very serious financial liability. The sanction of the Secretary of State, therefore, is necessary.

(2) There was no specific reference to this point in the previous discussions in the Secretariat, and the telegram to the Secretary of State, No 26-C., dated the 28th December 1918, contained no reference to it. The sanction of that authority would therefore be necessary.

(3) A sanction to an increase of pay does not necessarily involve the withdrawal of existing allowances, and, as these were not mentioned in the telegram to the Secretary of State, it is not necessary to assume that he contemplated their withdrawal. The proposal, therefore, does not require the sanction of the Secretary of State.

[The Secretary of State in his telegram, dated the 15th October 1919 has sanctioned the Government of India's proposal to allow them full discretion to abrogate Articles 156—158, Civil Service Regulations, in bringing existing incumbents on new time-scales of incremental pay scales, so as to allow previous service to count as service for increment on new scales, and also past permanent service in selection posts to count for increment in new scales for those posts, except where the Government of India definitely propose otherwise. He has also authorised the grant of personal allowances to existing incumbents where necessary to protect them from immediate loss by the new scale of pay—*vide* Government of India F. D. endorsement No. 1312-C. S. R., dated the 6th November 1919].

(A. R. Vol. VIII—1.) (Files No. 152-A & A. of 1919 and No 61-Code of 1927.)

(11)

F. Rs. 21 & 27.—Premature increment in a post where the selection grade pay *plus* temporary increase exceeds Rs. 1,200 per month, requires the sanction of the Secretary of State.

A time-scale includes the special rate of pay given to Government servants who have rendered approved service for 20 years, as well as temporary addition to pay.

Terms of Reference.—Mr. M————, an Assistant Director of Public Health, was granted by a Provincial Government a premature increment fixing his pay at Rs. 900 per mensem, *plus* $33\frac{1}{3}$ per cent. thereof. The scale of pay sanctioned for Assistant Directors of Public Health (Non-Indian Medical Service Officers) rises from Rs. 500 to Rs. 900, a pay of Rs. 1,000 being given for approved service of over 20 years. In addition to this rate of pay the Assistant Directors of Public Health get a provisional increase of $33\frac{1}{3}$ per cent. sanctioned by the Secretary of State. The question for decision is whether Rs 1,000, *plus* the temporary increase of $33\frac{1}{3}$ per cent., should be regarded as part of the time-scale, and if so, whether the Local Government's orders are *intra vires* of Fundamental Rule 27.

Auditor General's decision.—The pay of Rs. 1,000 permitted for approved service of over 20 years, *plus* the temporary increase of $33\frac{1}{3}$ per cent., as sanctioned in the Secretary of State's telegram No 1344-S, dated the 29th July 1920, must be regarded as part of the time-scale of pay. Therefore with the addition of $33\frac{1}{3}$ per cent., the minimum of the scale is above Rs. 1,200. Under Fundamental Rule 27 a Provincial Government cannot grant to a Provincial Officer a premature increment if the maximum pay of the time-scale is in excess of Rs 1,200, even though by the grant of such premature increment the officer's pay does not, at that time, exceed Rs. 1,200.

The sanction accorded by the Provincial Government is therefore *ultra vires* of Fundamental Rule 27 and requires the sanction of the Secretary of State, under Rule 1 (2) of the rules in schedule III of the Devolution rules.

(A R Vol. XII—18) (Files No. 21-A. of 1924 and No. 66-Code of 1927.)

(12)

F. Rs. 21 & 26 (c) —Fundamental Rule 26 (c) applies to Provincial Civil Service officers holding "listed posts".

Terms of Reference.—The cadre of the Indian Civil Service in a particular province includes certain posts of Sessions and Subordinate Judges which are reserved for Provincial Civil Service officers. They draw pay in the inferior time-scale of the Indian Civil Service. There are also certain posts of District and Sessions

Judges in the cadre which are similarly reserved for officers of the Provincial Civil Service. The holders of these posts draw pay in the Superior time-scale. Mr. B., a Provincial Civil Service Officer, while officiating as a Sessions and Subordinate Judge, was appointed to officiate as a District and Sessions Judge from 1st March 1925 to 10th November 1925 when, on reversion, he was reappointed to officiate as a Sessions and Subordinate Judge. The question for decision is whether this officiating service in the superior Indian Civil Service time-scale may count without the sanction of the Secretary of State for increment in the inferior scale, *i.e.*, as a Sessions and Subordinate Judge, in view of the fact that the terms, specially sanctioned by the Secretary of State for these posts, do not provide that in such circumstances officiating service in the superior scale should count for increment in the inferior scale or in other words, whether, in view of Fundamental Rule 21, Rule 26 (*c*) of those Rules applies in this case.

Auditor General's decision.—The pay applicable to Provincial Civil Service Officers appointed to hold "listed posts", whether superior or inferior, has been specially sanctioned by the Secretary of State and the case therefore comes under Fundamental Rule 21. The provision of Fundamental Rule 21 makes Fundamental Rule 26 (*c*) inapplicable in this case in so far as it is inconsistent with the terms specially sanctioned for these officers. The special rules sanctioned by the Secretary of State do not suggest that in a case like this the officiating service in the superior scale as District and Sessions Judges should not count for increment in the inferior scale as Sessions and Subordinate Judges. Fundamental Rule 26 (*c*) is not therefore inconsistent with the terms specially sanctioned and therefore it applies to the officer in question. Thus no reference to the Secretary of State is necessary.

(A. R. Vol. XIII—15.) (Files No. 99-A. of 1926 and No. 66-Code of 1927.)

F. R. 26 (*c*).—Fundamental Rule 26 (*c*) applies to Provincial Civil Service Officers holding "listed posts".

(*See* Section IV, ruling 12, relating to Fundamental Rule 21.)

(Files No. 99-A. of 1926 and No. 66-Code of 1927.)

F. R. 27.—Premature increment in a post where the selection grade pay *plus* temporary increase exceeds Rs. 1,200 per month, requires the sanction of the Secretary of State.

The time-scale includes the special rate of pay given to Government servants who have rendered approved service for 20 years, as well as temporary additions to pay.

(*See* Section IV, ruling 11, relating to Fundamental Rule 21.)

(Files No. 21-A. of 1924 and No. 65-Code of 1927.)

(13)

F. Rs. 30 & 51 (*a*).—Though no change of duties is involved, deputation pay in England may be enhanced on account of officiating promotion in India.

Terms of Reference.—While Mr. F.——, an Assistant Superintendent of the Geological Survey of India, was on deputation in England, a vacancy occurred in the grade of Superintendents in that Department in India. The Government of India proposed to appoint Mr. F to officiate in this vacancy and to enhance his deputation pay, under Fundamental Rule 51 (*a*), by two-thirds of the officiating pay, which he would have drawn had he remained on duty in India and assumed charge of the higher appointment of Superintendent. The Auditor General was asked whether this was admissible in view of the fact that the officiating promotion would not involve the assumption of duties or responsibilities of a greater importance and of a different character within the meaning of Fundamental Rule 30.

Auditor General's decision.—Fundamental Rule 51 (*a*) permits the authorities in India to state the pay which the deputed officer would have drawn had he been on duty in India. Thus Mr. F.'s deputation pay may be regulated by a statement that had he been in India he would from a certain date have officiated in an appointment of Superintendent which would have involved duties and responsibilities greater than those attached to his appointment of an Assistant.

(A R Vol XI—3) (Files No 50-A of 1923 and No 64-Code of 1927.)

(14)

F. R. 30.—A declaration by a Local Government that a particular post involves more important duties, or duties of a different character, justifies the grant of officiating pay to a Government servant appointed to the post from another post in the same cadre.

Terms of Reference.—The Upper Division of the establishment of a Provincial Secretariat are comprised of the posts noted below:—

Designation.	Scale.
	Rs.
Senior Superintendents (Selection Grade) .	475—25—600
Junior Superintendents	320—20—440
First Assistants (Selection Grade) . .	210—15—300
Junior Assistants	120—10—250
Probationers	100

The Local Government declared that for the purpose of Rule 3 and the note thereunder of the new Acting Allowance Rules promulgated with the Government of India, Finance Department Resolution No. 2097-C. S. R., dated the 27th November 1920, the

duties and responsibilities of the various grades including the probationers should be considered as quite distinct and that officiating promotions should be allowed in all these grades except in the case of Junior Superintendents acting as Senior Superintendents. The question for consideration is whether the declaration of the Local Government in the case of Junior Assistants officiating in the grade of First Assistants is in keeping with the spirit of the above rule as the posts of both Junior and First Assistants formed one class of appointments, *viz.*, that of Assistant Superintendents divided into grades on different rates of pay.

Auditor General's decision.—A declaration by Government of the effect that a particular appointment involves duties and responsibilities of greater importance or a different character should, if accepted as a fact, be held to justify the grant of officiating promotion.

In such cases Government should be requested to facilitate audit by conforming with the framework designed for classifying appointments and should be asked to place such appointments definitely in a separate class.

(A. R. Vol. XI—10.) (Files No. 55-A of 1922 and No. 64-Code of 1927.)

F. R. 31 read with 9 (*24*) & 9 (*21*) (*a*) (*ii*).—Overseas pay is inadmissible to a European subordinate while officiating in a qualifying post.

(*See* Section VII, ruling 18, relating to Miscellaneous.)

(Files No. 421-A & A of 1923 and No. 65-Code of 1927.)

F. R. 35, Art. 168, C. S. R.—The charge allowance to marine officers is not affected by the abolition of appointments to be in-charge on current duties under the Fundamental Rules.

Sanctions to charge allowance given prior to introduction of Fundamental Rules may be treated as an order under Fundamental Rule 35 reducing pay for officiating.

(*See* Section IV, ruling 1, relating to Fundamental Rule 3.)

(Files No. 291-Admn. of 1925 and No. 66-Code of 1927.)

(15)

F. R. 44 and T. A. Rules under S. R.—Travelling allowance granted to candidates for admission into an Agricultural College, who are asked to interview the Principal, should be treated as a contingent charge.

Terms of Reference.—The Government of the United Provinces have proposed that in cases where from the applications and testimonials of a candidate for admission into a certain Agricultural College in that Province, the Principal is not certain whether they are fit for an agricultural training, he should send for and interview with them and that in such cases railway fares for their

journeys should be paid to the candidates' by Government. The question for consideration is whose sanction is required to the proposal of the Local Government.

Comptroller General's decision.—This case is to be decided with reference to the general principle enunciated in Article 1, Civil Service Regulations, that the rules contained therein "are intended to define the conditions under which salaries——and other allowances are earned by service in the Civil Departments" The case is, therefore, not one which comes within the purview of the Civil Service Regulations. Any allowance given in the special circumstances should be treated as a contingent charge and the Local Government is competent to sanction this expenditure, subject to such restrictions as the Government of India may impose.

(A R Vol VIII—12) (Files No 601-A. & A of 1918 and No 61-Code of 1927.)

(16)

F. R. 44.—The Secretary of State having sanctioned *Kran* compensation allowance to officers in civil employ in Persia, the grant of the allowance from the same date to officers attached to Survey parties in Persia on a portion of their emoluments, requires no further sanction.

Terms of Reference.—The proposal of the Government of India in the Foreign and Political Department telegram No. 706-Est. A., dated the 1st June 1917, to the Secretary of State to grant under certain conditions compensations on account of a fall in the *kran* value of rupee to gazetted and non-gazetted officers in the civil employ in Persia at a privileged rate of exchange was sanctioned by the Secretary of State in his telegram of the 24th August 1917. This sanction was to have effect from the 1st November 1916. It was then proposed to grant similar concessions to officers and men attached to five survey parties and detachments serving in Persia. But as they were in receipt of free rations and clothing, it was urged that one of the conditions under which the concession was sanctioned, *viz.*, no one should be allowed to exchange at the privileged rate more money than what he may reasonably be expected to spend in Persian currency, was not fulfilled. It was consequently decided to curtail the allowances to those granted in similar cases to men in military employ, and orders sanctioning the reduced concession, with effect from the commencement of the survey operations but not earlier than 1st July 1916, were issued in the Government of India, Revenue and Agricultural Department letter No. 226, dated the 29th March 1919. The question for decision is whether the sanction of the Secretary of State is necessary to the grant of the concessions above referred to.

Comptroller General's decision.—The proposals will not require the sanction of the Secretary of State provided they are not given

effect to prior to 1st November 1916, the date from which the sanction conveyed in the Secretary of State's telegram, dated the 24th August 1917, had effect.

(A R. Vol. VIII—18) (Files No 185-A & A. of 1919 and No 61-Code of 1927.)

(17)

F. R. 44.—The sanction of the Secretary of State is necessary for the extension of Exchange Concession to an establishment serving at a place near to, but not identical with, a place for which he has sanctioned this concession.

Terms of Reference.—The Secretary of State sanctioned the grant of exchange concession to civil officers and establishments serving at ——— and to the Residency Agent at ——, the normal value of the rupee being taken at Rs. 100 equal to dollars 70. The Agent to the Governor General and Chief Commissioner in—— sanctioned the grant of a similar concession to the political establishment at ——. It is now proposed to extend the concession to the postmaster and the menials of the Branch Post Office at —— which is within the jurisdiction of, and at a distance of a few miles from, one of the places for which the concession was sanctioned by the Secretary of State. The question for consideration is whether the sanction of the Secretary of State is necessary in view of the fact that it is an extension of the concession the principle of which has been admitted by the Secretary of State.

Auditor General's decision.—The sanction of the Secretary of State is necessary to the proposed extension of the concession and also to the extension sanctioned by the Agent to the Governor General and Chief Commissioner in ——. As the Secretary of State asked to be informed of the cost of the concession, that of the extension granted by the Agent to the Governor General and Chief Commissioner in —— as well as of that now proposed should be reported to the Secretary of State.

(A. R Vol. IX—45) (Files No 733-A & A. of 1920 and No 62-Code of 1927.)

(18)

F. R. 44.—The grant of Burma Allowance to officers recruited on special rates of pay in or for service solely in Burma, is inadmissible, as the allowance becomes a source of profit.

Terms of Reference.—It was proposed by the Burma Government that the Senior Inspector of the Factory Inspection Staff, Burma, should be made Chief Inspector and that his salary should be raised from Rs. 700—30—1,000 to Rs. 1,200—40—1,400 and that he should be given the Rangoon Compensatory Allowance of Rs. 250 per mensem being stationed in Rangoon in addition to the Burma Allowance drawn by him. The question referred to the Auditor General was whether under Fundamental Rule 44 the

Local Government were competent to sanction Burma Allowance to officers recruited on special rates of pay in or for Burma, for service solely in Burma or whether their powers under Fundamental Rule 44 were still subject to the restriction in paragraph 4 of the Finance Department Despatch No. 157, dated the 21st May 1919.

Auditor General's decision.—Powers of the Local Government are not limited by the decision of 1919 and the only condition which binds them is the condition that the allowance should not be on the whole a source of profit. It would seem that the condition would be fulfilled only if the pay of the post were fixed with reference to conditions obtaining outside Burma or with the intention of permitting the allowance in addition. Either of these courses would be anomalous except for an All-India Service and for other services it should be held that the pay has reference to the fact that service is in Burma and that therefore an allowance on this account is inadmissible If necessary the proper course would be for the rates of pay to be raised.

A R Vol XI—13) (Files No 148-A of 1922 and No 62-Code of 1927.)

(19)

F. R. 44.—Burma Allowance granted to a Provincial Police officer promoted to the Imperial Police, is, *primâ facie*, a source of profit, since his pay before promotion was fixed in view of local conditions.

Terms of Reference.—The question for consideration is whether Mr B.—who held a listed appointment in the Burma Police and who was subsequently appointed to the Imperial Police Service is entitled to the Burma Allowance on his promotion to the All-India Service in view of the fact that he was originally recruited in Burma for service solely in Burma and that his pay in the Imperial Police Service was regulated with reference to the pay drawn by him in the Provincial Service which is fixed at a higher figure in Burma than in the Indian Provinces.

Auditor General's decision.—As Mr. B.— is now in the Indian Police Service there is no objection to his being given the Burma Allowance. The only restriction in this matter on the Local Government's power is that the allowance should not be a source of profit. There is *primâ facie* case for supposing that in Mr. B.'s case part of the allowance would be a source of profit for Mr. B.'s pay in the Indian Police Service is higher than it would have been had he not previously been drawing pay based on Burma condition. Mr. B.———if he draws the full Burma Allowance is therefore doubly benefited and it would seem reasonable that the Burma Allowance should be reduced in his case by the amount by which he is benefited for his Burma scale of pay when he entered the Indian

Police Service. The Local Government should be asked to restrict the allowance as suggested above unless they are prepared to rebut the obvious inference to be drawn from the facts that Mr. B.—being compensated twice over for local conditions would in effect be profiting illegitimately

(A. R Vol XI—11) (Files No 173-A of 1922 and No. 64-Code of 1927.)

(20)

F. R. 44.—Exchange Compensation Allowance is not admissible to Police officers otherwise eligible, when they hold special posts, not included in the Police cadre.

Terms of Reference.—Mr. A ——who was appointed to Police service in 1902 is, so long as he holds an appointment in the Police cadre, entitled to exchange compensation allowance under paragraph 3 (*iv*) of the Government of India, Finance Department, No 591-F. E, dated 29th March 1922. He was appointed to officiate from 16th November 1920 to 15th November 1921 in the post of Deputy Director, Intelligence Bureau, which is not on the Police cadre but is actually held by a Police officer specially selected The question for consideration was whether exchange compensation allowance was admissible to Mr. A ——while holding the special appointment.

Auditor General's decision.—The appointment not being on the Police cadre exchange compensation allowance is not admissible under existing rules, even though the holder of the appointment is a Police officer appointed to the service before 1906 (consequently entitled to exchange compensation allowance under 3 (*iv*) of the Government of India, Finance Department, No. 591-F. E., dated the 29th March 1922). If it is proposed to make exchange compensation allowance admissible the case should be referred to the Secretary of State.

(A R Vol XI—12.) (Files No 363-A. of 1922 and No. 64-Code of 1927.)

(21)

F. R. 46.—An honorarium can only be granted for work of such exceptional merit or of such an arduous or peculiar nature as to justify a special reward and audit can challenge whether these conditions are fulfilled.

Terms of Reference.—Under paragraph 11, sub-paragraph 6 of the Secretary of State's despatch No. 59-Financial, dated 26th May 1911, the Government of India delegated to Provincial Governments having *quasi*-permanent provincial settlements the power to sanction rewards up to Rs. 500 in each case where the conditions mentioned by the Secretary of State are satisfied. The Bengal Government proposed to make use of the power to lay down a scale of rewards within its power of sanction for medical subordinates

employed in jails, and to authorise the Inspector-General of Prisons to grant the reward at his discretion subject to certain conditions laid down by the Local Government. The question for decision is whether this arrangement amounts to a financial delegation requiring the sanction of the Secretary of State under paragraph 16 of the Secretary of State's despatch No. 59-Financial, dated 26th May 1911.

Comptroller General's decision.—Under paragraph 11, sub-paragraph 6 of the Secretary of State's despatch No. 59-Financial, dated 26th May 1911, the Secretary of State has empowered the Government of India, Local Governments and Heads of Departments to sanction rewards subject to certain financial limits for work "of such exceptional merit or of such an arduous or peculiar nature as to justify a special reward." The Government of Bengal desired to grant rewards to medical subordinates for work done in connection with jails, and the condition with regard to the character of the work to be done to merit a reward is given in condition 2 of Rule 89 of the Bengal Jail Manual. The essential conditions laid down therein are: "The Inspector General will base his opinion on the evidence of good work done as seen at his inspection, in the general health of the prisoners, in the management of the hospital and various infirm gangs, in the preparation and cooking of the food both for ordinary prisoners and for those in hospital, in the general sanitary condition of the jail, and in the management of epidemic diseases, if any such outbreaks occurred." There is no indication that these conditions require work of exceptional merit or of such an arduous or peculiar nature as to justify a special reward except possibly when there is a severe outbreak of epidemic disease.

I am of opinion, therefore, that the conditions which the Local Government wished to impose are not such as to justify the grant of a reward in accordance with the conditions laid down by the Secretary of State

The question, therefore, whether the power vested by the Local Government in the Inspector-General amounts to financial delegation requiring the Secretary of State's sanction, does not arise.

Later:—

I have accepted the position that these payments (payments made to medical subordinates employed in jails) are rewards, but I have expressed the opinion that the rewards are to be granted under rules which will enable them to be granted for work which need not be "of such exceptional merit or of such an arduous or peculiar nature as to justify a special reward" and it is for this reason that I have required the sanction of the Secretary of State. I find no reason to alter my opinion.

The view is expressed that it is not within my power to question whether the work for which a reward may be granted fulfils the conditions imposed by the Secretary of State. I regret that I cannot accept this view unless it is endorsed by the Secretary of State. The rule under question is framed by the Local Government for the guidance of the administrative authorities, and the latter in granting rewards will naturally pay more attention to this rule included in their Manual than to the orders of the Secretary of State which may not have been brought specially to their notice. Unless the rule is framed strictly in accordance with the orders of the Secretary of State, rewards might be sanctioned under it, which would be liable to challenge by the audit authorities. It is important, therefore, that the rule should be so framed as to conform with the severe conditions imposed by the Secretary of State. If the Government of India wish to question my right to request a reference to the Secretary of State on such a matter, I respectfully suggest that the orders of the Secretary of State on this point may be obtained

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[In his despatch No. 42-Public, dated 13th March 1914, the Secretary of State sanctioned the continuance of the special allowances drawn by medical subordinates serving in jails. He agreed that these allowances are not strictly covered by the orders contained in paragraph 11, sub-paragraph 6 of his Financial despatch No. 59, dated 26th May 1911.]

(A. D. IV—1) (Files No 339-A & A. of 1912 and No. 53-Code of 1927.)

(22)

F. R. 46.—The grant of an honorarium to the heirs of a deceased Government servant for work done by him is unobjectionable in audit.

Terms of Reference.—The late Rai Bahaduh V.———, Government Epigraphist for India, undertook the publication of a volume of South Indian Inscriptions. He began this work in 1908, completed a portion shortly before his death in 1912, and left also some manuscripts. The Madras Government have now applied for the sanction of the Government of India for the payment of an honorarium of Rs. 1,000 to the widow of the late Rai Bahadur for the services rendered by him in connection with the above work.

The question for decision is whether the sanction of the Secretary of State is necessary to the grant of the honorarium.

Comptroller General's decision.—The first question for decision is whether an honorarium can be granted to the heirs of the officer for whose work it is desired to grant the honorarium. This I think is permissible. A reward like salary is earned by work done by an

officer, and there is no objection to its being given to his heirs after an officer's death just in the same way as any arrear salary is.

The second point for consideration is that much of the work was done prior to the receipt of the Secretary of State's Financial despatch No. 114, dated 23rd September 1910, which permits the grant of an honorarium for work falling within the officer's ordinary duties. This point does not arise if the work was outside the *officer's ordinary duties. I am inclined to think that it was* not, but I should prefer to have a definite opinion of the Government of India on this point. If the work was inside the officer's duties, then that portion of it performed before receipt of the Secretary of State's despatch No 114, dated 23rd September 1910, would not give a claim to an honorarium This view is not of much practical importance, for it is open to the Government of India to grant an honorarium not exceeding Rs. 1,000 for the portion performed after receipt of that despatch I would point out, however, that the work has to be specially meritorious and that it is desirable to maintain a high standard when interpreting these words

(A D. III—38) (Files No 14-A. & A of 1914 and No. 52-Code of 1927.)

(23)

F. R. 46.—*The grant by the Persian Government of a monthly allowance to the Residency Surgeon at Bushire in consideration of medical services rendered to certain of their employés does not require the sanction of the Secretary of State.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to the payment to the Residency Surgeon at Bushire of a monthly allowance of about Rs 300 by the Treasurer General of the Persian Empire in consideration of medical services rendered to the employés of the Customs, and some other, Departments of the Persian Government.

Comptroller General's decision.—As the allowance is to be paid by the Persian Government, it is not included in "remuneration" as defined in clause II of the Audit Resolution. The sanction of the Secretary of State is not, therefore, necessary to its payment.

(A R Vol. I—3.) (Files No. 546-A. & A. of 1914 and No. 54-Code of 1927.)

(24)

F. R. 46.—*The sanction of the Secretary of State is not required for the grant of an allowance to an Indian Medical Service officer for performing the duties of Medical Officer to the Bombay Port Trust in addition to his own duties.

* The allowance would now be classed under the Fundamental Rules as a recurring fee and would therefore, be governed by Fundamental Rule 46.

24. *Terms of Reference.*—The question for decision is whether the grant to an Indian Medical Service officer of an allowance of Rs. 250 a month, for performing the duties of Medical officer to the Bombay Port Trust, requires the sanction of the Secretary of State, if the officer's emoluments are thereby raised to more than Rs. 800 a month.

Comptroller General's decision.—The Bombay Port Trust Fund is not a local fund administered by Government The proposed allowance of Rs. 250 a month for the Indian Medical Service officer does not form part of "remuneration" within the meaning of clause II of the Audit Resolution and the sanction of the Secretary of State is not required to its grant.

(A. R Vol I—28) (Files No 132-A. & A of 1915 and No. 54-Code of 1927.)

(25)

F. R. 46.—The proposal to allow a Government officer to take up a certain work for, and to accept fees from, the Ceylon Government may be dealt with under Article 74, Civil Service Regulations (*vide* Fundamental Rule 46).

Terms of Reference—The Government of Ceylon ask for the services of Mr. M.———, Electrical Adviser to the Government of India, for a short period, to examine and advise on the Hydro-Electric Scheme that is being formulated in that Colony The Government of India in the Administrative Department being satisfied that the work can be undertaken by Mr. M ———without detriment to his official duties, are prepared to spare his services for a week or ten days, the Ceylon Government paying him a fee of Rs 300 *per diem,* subject to a total amount of Rs. 3,000 The question for decision is whose sanction is necessary to the acceptance by Mr. M.———of the fee proposed.

Comptroller General's decision.—The case can be dealt with under Article 74, Civil Service Regulations

(A R. Vol. VIII—68) (Files No 53-A & A of 1920 and No 61-Code of 1927.)

(26)

F. R. 47.—Specific provisions of certain Acts requiring Government of India sanction for honoraria for patents to persons in Government employ override Fundamental Rule 47.

Terms of Reference.—Under the provisions of Sections 16 and 17 of the Inventions and Designs Act (Act V of 1888) and Section 21 of the Indian Patents Act (Act II of 1911), patents granted to persons in Government employ bear the condition that the officers or authorities administering any department of the service of His Majesty may, by themselves, their agents, contractors or others, use the invention for the services of the Crown on such terms

as may, either before or after the use thereof, be agreed on, with the approval of the Governor General in Council, between those officers or authorities and the patentee, or in default of agreement, as may be settled by the Governor General in Council. The question for decision is whether a proposal for a payment to a patentee who is in the service of Government for the use by Government of his invention, may be dealt with by a Local Government under the rules relating to honoraria in the Fundamental Rules.

Auditor General's decision.—The specific provisions of the Acts quoted, which confer full authority in this matter upon the Governor General in Council, must override the provisions of the Fundamental Rules

(A. R Vol. XIII—8) (Files No 133-A. of 1925 and No 66-Code of 1927.)

(27)

F. R. 49.—An allowance paid to an Imperial Inspector General of Police by an Indian state for supervising its Police should be governed by Fundamental Rule 49.

Terms of Reference—The question for decision is whether the sanction of the Secretary of State is required to permit the acceptance by Mr W ———, Inspector General of the Central India Agency Police, of an allowance of Rs. 250 per mensem from the Indore State in addition to his pay from Government for supervising the Indore State Police in addition to his own duties under the Imperial Government during the absence on leave of the Inspector-General of Police, Indore State

Comptroller General's decision.—Inasmuch as there is a sanctioned appointment of Inspector-General of Police, Indore State, Article 756, Civil Service Regulations, applies, and the phrase "appointed to act" used in that Article may be interpreted in its wider sense as including an appointment which involves the holding of two appointments at one time. Thus, I agree that the case may be brought under Article 756, Civil Service Regulations, read with Article 168, Civil Service Regulations.

(A. D. IV—50.) (Files No. 233-A & A. of 1914 and No 53-Code of 1927.)

(28)

F. R. 49.—Special pay granted for part-time work is inadmissible during absence on vacation.

Terms of Reference.—In Government of India, Revenue and Agriculture Department letter No. 938-25, dated the 14th July 1916, it was ruled that part-time officers of the Meteorological Department who hold permanent appointments in the Educational and Telegraph Departments would draw in full the duty allowance attached to their respective posts in the Meteorological Department

during privilege leave or vacation for such period as privilege leave would be admissible to them if they were regarded as having held the Meteorological appointment separately and alone.

Dr. S.———, a member of the Indian Educational Service, holds such a part-time appointment of Meteorologist and Deputy Director in an observatory. He was absent from his duties in the Meteorological appointment during the period from the 5th to the 26th June 1923 which was covered by the vacation of his college. The question for decision is whether the orders of 1916 can be held to be in force after the introduction of the Fundamental Rules, and whether Dr. S.———is entitled to draw the special pay, attached to his part-time appointment, for the period he was absent from it.

Auditor General's decision.—In the case of the Telegraph Department no special orders are necessary. An officer is never likely to be absent from his Meteorological duties unless he is absent from his Telegraph duties. Orders of leave from the latter (his main duties) will, therefore, permit him to be absent from the former and his special pay, drawn for the former, while on duty, will be taken into account in the calculation of his leave salary.

In the case of the Education Department the same considerations apply if his absence from his Meteorological duties coincides with leave from the Education Department. Thus the only difficulty arises if the former coincides, not with leave from, but with vacation in the Education Department In such cases it is obvious that no allowance should be drawn for the Meteorological duties during a period when they are not performed.

The maintenance of the old rules necessitates the maintenance of two leave accounts This presupposes a recognition of the theory that leave can be earned by the performance of purely subsidiary functions, which is incorrect.

(A. R. Vol. XII—16) (Files No 329-A. of 1923 and No 65-Code of 1927.)

F. R. 49.—Where a post on a fixed rate of pay exists, it may be entrusted for a portion of a year, to a Gazetted Officer holding another post in addition to his own duties, his pay being regulated under Fundamental Rule 49, even if his total pay is thereby raised above Rs 1,200

[*See* Section II (*a*), ruling 15 relating to N. A R. (Central) Rule 1 (2).]

(A. R. Vol XIII—2) (Files No 175-A of 1924 and No 66-Code of 1927.)

(29)

F. R. 50.—If a Government servant is deputed out of India for a definite period with the Secretary of State's sanction and during such deputation is re-employed as a pensioner, an extension

of the period of deputation beyond the original terms requires the Secretary of State's sanction.

Terms of Reference.—Rao Sahib D.————————, a Deputy Collector of the Madras Presidency was appointed Emigration Agent of the Government of India in British Malaya for two years with effect from 1st September 1923. The appointment involved deputation out of India, and was therefore made with the sanction of the Secretary of State. The Rao Sahib is due to retire from service on 11th July 1925, the date on which he attains the age of 55 years. The Government of India propose to retain him in the post of Emigration Agent in Malaya, as a pensioner re-employed, for a period of 6 months from the date of his retirement. The question for decision is whether the proposal requires the sanction of the Secretary of State.

Auditor General's decision —A re-employed pensioner is a Government servant for the purpose of the Fundamental rules, and I do not think it is possible to hold that the Rao Sahib is one Government servant before re-employment and another afterwards.

The original sanction of the Secretary of State will therefore hold good until the 1st September 1925, and an extension of the deputation beyond that date will require the sanction of the same authority.

(A. R Vol. XIII—10.) (Files No. 204-A. of 1925 and No 66-Code of 1927.)

F. R. 51 (*a*).—Though no change of duties is involved deputation pay in England may be enhanced on account of officiating promotion in India.

(*See* Section IV ruling 13 relating to Fundamental Rule 30.)

(Files No 50-A of 1923 and No. 64-Code of 1927.)

(30)

F. R. 58 & C. S. R., Art. 1 (*a*) **& Art. 350.**—Period of embodiment for Military service with the Indian Territorial Force does not count towards civil leave and pension.

Terms of Reference.—The question for decision is whether Government servants in Civil employ who are members of the Indian Territorial Force can count the period of embodiment for Military Service as duty for civil leave and pension without the specific sanction of the Secretary of State.

Auditor General's decision.—The sanction of the Secretary of State is necessary.

(A. R Vol. XII—2.) (Files No. 299-A. of 1922 and No. 65-Code of 1927.)

(31)

F. R. 61.—Probationary service of a military officer in civil employ counts for leave under civil leave rules.

Terms of Reference.—Captain J ————, a commissioned officer of the Indian Army was appointed as an Assistant Superintendent in the Survey of India on *probation* in a substantive vacancy in a permanent post on the 7th September 1914 His services were temporarily placed at the disposal of the Commander-in-Chief in connection with the War from the 18th September 1914. On conclusion of the War, he was again appointed on *probation* in the Survey of India on the 19th December 1919 and was subsequently confirmed in that Department. The question for decision is under what condition the probationary service in the Survey of India of Captain J ————who was reverted to Military duty for a long period after only 11 days probation, can count for leave under the civil leave rules

Auditor General's decision.—F R 61 (*a*) provides that a Military Commissioned officer, subject before appointment to a post in civil employ to the Indian Army Leave Rules, becomes subject to the Fundamental (Civil) leave rules from the date of first substan-
"rom the date of com-
such service, which-
between a substan-
tive appointment and an officiating appointment. In rule 2 (15) of the Supplementary Rules a " probationer " is defined as a " Government servant employed on probation in or against a substantive vacancy in the cadre of a department " and it contemplates that a probationer is always employed against a substantive vacancy and is appointed substantively thereto, subject to reversion to his original post if found unsatisfactory

Captain J ————was appointed on probation against a substantive vacancy in a permanent post on the 7th September 1914 and became subject to the civil leave rules from that date. Whether the ordinary rules should not be applied to him because he joined the Army 11 days afterwards is for the decision of Government

(A. R Vol. XII—17.) (Files No. 395-A. of 1923 and No. 65-Code of 1927.)

(32)

F. R. 69.—The sanction of the Secretary of State is not necessary to the completion while on leave in England of work for a private employer commenced with proper sanction in India

Terms of Reference —An Executive Engineer undertook with the permission of the Local Government certain work in connection with designs and estimates for a private Engineering firm. He did part of the work while on duty in India, for which the firm paid him an honorarium of Rs. 2,000, and finished the rest while on leave in England, for which the firm proposes to pay an honorarium of Rs. 1,500 The question for decision is whether the sanction of the Secretary of State is necessary to the acceptance by the officer of the honorarium of Rs 1,500

Auditor General's decision.—No reference need be made to the Secretary of State in this case.

(A. R Vol. X—16.) (Files No. 500-A. & A. of 1921 and No. 63-Code of 1927.)

(33)

F. R. 84.—Study leave may be granted to an officer of less than 5 years' service at the discretion of the authority competent to grant the leave.

Terms of Reference.—The question for consideration is whether the Government of India are competent to grant to Mr. G. ———, Personal Assistant to the Sanitary Commissioner,———, who entered the service on 1st April 1915 and has not yet put in five years' service, privilege leave for three months combined with study leave for nine months to enable him to study for the Diploma of Public Health.

Comptroller General's decision.—Rule 1 in Appendix 32, Civil Service Regulations, reads:—

> "Study leave may be granted————————by the Government of India ——————— Such leave will not ordinarily be granted to officers of less than five years' service."

I am of opinion that the correct interpretation of this rule vests in the authority competent to grant the leave (*viz.*, the Government of India) the power to determine whether such leave may in any case be granted to an officer of less than five years' service.

(A R Vol. VIII—5.) (Files No. 244-A. & A. of 1919 and No. 61-Code of 1927.)

F. Rs. 89 & 90.—Revision of rupee scales of leave allowances of High Court Judges cannot be made except under Royal Warrant and that of Listed officers under the sanction of the Secretary of State.

[*See* Section IX (*b*) ruling 2 relating to High Court Judges Rules]

(Files No. 41-A. & A. of 1919 and No. 61-Code of 1927)

(34)

F. R. 105.—A Government servant sent for medical examination from Simla to Meerut for appointment in the Military Department, and returned to Meerut as unfit, should be considered to be on joining time during his absence on transfer and re-transfer.

Terms of Reference.—A warder in the Judicial lock-up at Simla volunteered for employment on field service and was allowed to make a journey to Meerut for medical examination. He was, however, found unfit for military duty and returned to rejoin his appointment at Simla. During his absence (16th September to 7th

October 1916) a substitute was appointed to carry on the work on a pay of Rs. 18 per mensem. It is proposed to allow the official full pay for the period of his absence and the question for decision is how the payment of the allowance to the substitute should be dealt with.

Comptroller General's decision.—In this case the official was, under the orders of competent authority, relieved of his civil duties and transferred for work in the Military Department. He was, however, on medical examination found unfit for military duty and was re-transferred to the Civil Department The period involved in the transfer and re-transfer may, in my opinion, appropriately be treated as joining time and dealt with under the rules in Chapter IX of the Civil Service Regulations. The allowance to the *locum tenens* will then be admissible

(A R. Vol VI—52.) (Files No. 645-A & A. of 1917 and No 59-Code of 1927.)

(35)

F. R. 110 (*b*) —The sanction of the Government of India is necessary to the deputation of Government servants to Mesopotamia and East Africa and that of the Secretary of State to the delegation of this power to a Local Government.

Terms of Reference.—In Finance Department Circular No. 1171-C. S. R., dated the 9th October 1919, the Government of India said "Officers in permanent Government employment in India, whose services have been lent to the civil authorities in Mesopotamia, are being treated as on foreign service out of India, and the prescribed contributions on account of their leave allowances and pensions are being recovered by the Controller of War Accounts from Iraq revenues". The questions for decision are:—

(*a*) whether the sanction of the Government of India is still necessary to the deputation of the men who had been lent to Mesopotamia before the issue of the Finance Department Circular of the 9th October 1919; and

(*b*) whether a Local Government can be empowered to sanction the loan to Mesopotamia and British East Africa of officers under it drawing Rs 200, and less

Auditor General's decision —(*a*) Yes.

(*b*) No. Local Governments at present do not possess any power to transfer officers on Foreign Service outside India (*vide* Article 763, Civil Service Regulations), and the Secretary of State said in his despatch No. 16-Fin., dated the 17th May 1918, in which he sanctioned delegation to Local Governments to make transfers on Foreign Service with retrospective effect, that he presumed his orders covered transfers within India It therefore follows that it being

a code delegation, the sanction of the Secretary of State will be necessary to empower local Governments to sanction such transfers.

(A R. Vol IX—6.) (Files No 406-A & A. of 1919 and No. 62-Code of 1927.)

(36)

F. R. 112.—Service during leave preparatory to retirement, which otherwise would be Foreign Service, may be regarded as private employment.

Terms of Reference.—Mr. P.————, an Assistant Secretary to a Local Government, was granted leave preparatory to retirement and was permitted to take up an appointment under a Municipal Commission during the leave. In paragraph 2 (*a*) of his despatch No. 4-Financial, dated the 22nd February 1923, the Secretary of State suggested that service in an Indian State during leave preparatory to retirement should be treated as private employment, *i.e.*, the officer, who has reached or is approaching the age of superannuation, notwithstanding his employment in an Indian State, should be allowed to take leave which would be admissible to him had he not accepted such employment, and pension contribution should not be required This suggestion was accepted by the Government of India in their Circular letter No 602-C. S. R , dated the 26th April 1923 The Secretary of State's despatch referred to employment in an *Indian State* specifically. The question for decision is whether the case of Mr P.————whose employment is under a Municipal Commission can be regulated according to the principle laid in the Secretary of State's despatch in question, and whether that principle can be held to apply to *all foreign service* without a further reference to the Secretary of State.

Auditor General's decision.—I consider that no further reference to the Secretary of State is necessary for three reasons.

2. The Government of India letter No. 979-E B , dated the 16th August 1922, to the Under Secretary of State for India (to which the Secretary of State's despatch in question is a reply) referred to service in an Indian State specifically, but the recommendation made therein was perfectly general and the proposed amendment of Fundamental Rule 112 would clearly have been applicable to all cases which would technically have been considered foreign service—like service under municipalities, etc. The Secretary of State in paragraph 3 of his reply stated that the proposed alteration of the Fundamental Rule (which was clearly meant for all foreign service) will be *unnecessary* in view of the opinion expressed by him. It must therefore be held that the opinion expressed by him, though it referred specifically to employment in an Indian State, was meant for all foreign service, as otherwise it would not make the *general* amendment of the Fundamental Rule unnecessary.

3. There seems to be no reason why the Secretary of State should have *applied different principles in the matter to foreign service in* Indian States and to other foreign service.

4. One reason adduced by the Secretary of State for his decision is a desire to facilitate the securing of post-pension employment by Government officers. This desire would be partially frustrated by a strict limitation of the orders to cases of employment in Indian States only.

(A. R. Vol. XII—1) (Files No. 189 of 1923 and No. 65-Code of 1927.)

SECTION V.—AUDIT RULINGS RELATING TO THE CIVIL SERVICE REGULATIONS.

(1)

C. S. R., Art. 1 & F. R. 3.—The application of the rules in the Civil Service Regulations to govern the allowances of military officers is irregular.

Terms of Reference.—Under paragraph 1 (*f*) (IV), Army Regulations, India, Volume I, the Deputy Director, Ordnance Stores, as well as the Deputy Assistant Director, draw additional allowances of Rs 100 each, attached to these posts. Major J.——, Deputy Assistant Director, Ordnance Stores, was appointed to carry on the duties of the Deputy Director, in addition to his own, from 21st April 1916 to 28th May 1916, and it is proposed to grant him the allowances attached to both the posts. There are no definite rules in the Army Regulations, India, governing the case, and it is suggested that, in accordance with the principle of Articles 169 and 169A, Civil Service Regulations, both the allowances may be given to the officer. The question for decision is whether the sanction of the Secretary of State is necessary to the proposal.

Comptroller General's decision.—The allowances of Military Officers are regulated by the rules in the Army Regulations, India. The application of the rules in the Civil Service Regulations to such an officer requires the sanction of the Secretary of State, if it involves the grant of remuneration in excess of Rs. 800 a month.

(Files No 459-A. & A. of 1916 and No. 58-Code of 1927.)

C. S. R., Art. 1 (*a*).—Period of embodiment for military service with Indian Territorial Force does not count towards civil leave and pension.

(*See* Section IV, ruling 30, relating to Fundamental Rule 58.)
(A R. Vol. V—4.) (Files No 299-A of 1922 and No. 65-Code of 1927.)

(2)

C. S. R., Arts. 4 and 924 (*b*) and Art. 232, C. A. C., Vol. I, 8th Edition (Reprint).—Article 4, Civil Service Regulations, governs the general rules of pension, but special powers of the Government of India have effect from the date of effect of relevant orders.

Terms of Reference.—An officer, who had originally entered service as a forest guard, and had subsequently risen to the grade of Deputy Ranger, retired on the 16th December 1913, under the rules then in force, with a pension on the inferior scale. The question for decision is whether it is within the competence of the Provincial Government to enhance the pension, in the exercise of

their powers under Article 924 (b), Civil Service Regulations, which were delegated to them in Government of India, Finance Department, letter No. 154-C. S. R., dated the 6th February 1915, and to give effect to the enhancement from a date not earlier than that of the delegation. It has been urged that, under Article 4 of the Civil Service Regulations, the proposal is beyond the competence of the Provincial Government, as they did not possess the powers at the time when the officer retired from service

Comptroller General's decision.—Article 4, Civil Service Regulations governs the general rules applicable to any class of officers, but Article 924 (b) which gives special powers outside the ordinary rules, is not subject to Article 4. On the other hand, the date from which the Government of India can sanction a pension in excess of Rs 10 under Article 924 (b), or from which a Provincial Government can sanction a pension under that Article, is subject to the general rule contained in Article 292*, Civil Account Code, Volume I, regarding the date from which the orders of the Secretary of State or of the Government of India take effect It follows that there is no bar to the Provincial Government exercising their powers under Article 924 (b) in this case with effect from the date of the Finance Department letter in which the powers were delegated to them

(A R Vol VI—25) (Files No 512-A & A of 1917 and No 59-Code of 1927)

(3)

C. S. R., Art. 4, 202 (c), and 375.—The decision of the Secretary of State that on the reorganisation of the Provincial Civil Service, its officers on confirmation should count service for leave and pension from the date of first appointment, automatically cancels the restrictions in Articles 202 (c) and 375, Civil Service Regulations for all existing incumbents.

Terms of Reference.—In sanctioning the re-organisation of the Provincial Civil Services in his telegram, dated the 28th January 1920, the Secretary of State said —

> "I am not in favour of separate probationary grade I am of opinion that persons directly appointed Deputy Collector or Extra Assistant Commissioner should be definitely appointed as such but should be for a definite period on probation. Such officers will be full members of Provincial Civil Service as from first appointment on probation, their confirmation depending not on occurrence of vacancies but their satisfying any prescribed tests, and if confirmed their service for leave and pension should be reckoned from date of first appointment"

* This refers to the Article in the Seventh Edition (Reprint) of the Civil Account Code; the corresponding article in the Eighth Edition (Reprint) is 232

The question referred for decision is whether in accordance with the principles of Article 4, Civil Service Regulations, the order that "service for leave and pension should be reckoned from date of first appointment" automatically cancels conditions (*a*) and (*b*) in Article 375, Civil Service Regulations, in the case of those officers who were members of the Provincial Civil Services on the 1st December 1919, the date from which the re-organisation has effect.

Auditor General's decision.—The question raised is with reference merely to Article 375, Civil Service Regulations. The question, however, is of more immediate importance with regard to Article 202, Civil Service Regulations, and also with regard to the initial pay under the new time-scale of those Deputy Collectors who have started as probationers. I think it is quite clear that Article 4, Civil Service Regulations, made applicable to all Deputy Collectors in service on the 1st December 1919, the concession contained in the second condition imposed by Secretary of State's telegram, dated the 28th January 1920, *viz.*, that a Deputy Collector on confirmation will count his service for leave and pension from the date of his first appointment as a probationary Deputy Collector. I would point out however that this ruling of the Secretary of State relates to service as a probationary Deputy Collector only and not to service as an officiating or temporary Deputy Collector

(A. R Vol X—25.) (Files No 19-Audit of 1921 and No 63-Code of 1927.)

(4)

C. S. R., Art. 31.—An Indian Civil Service officer, while on privilege leave, may retain a lien on the post of Director of Agriculture though his *locum tenens* is an officer of another Department and a post in the Indian Civil Service cadre is kept vacant to provide for the post

Terms of Reference.—Mr B—, I.C.S , Director of Agriculture, having taken combined leave for 18 months with effect from the 9th June 1916, Mr. M—, an officer of the Indian Agricultural Service, was appointed in his place on a special rate of pay and allowances sanctioned by the Secretary of State. A condition was made that, so long as Mr. M— hel
be kept vacant in the third grade
Collectors, in which provision has
of Agriculture. The Local Government have declared that Mr. B— should retain a duty lien on the appointment of Director of Agriculture so as to enable him to draw the duty allowance attached to the appointment, during the privilege leave portion of his combined leave. The Accountant General has ruled that these orders are *ultra vires*, as a substantive post must be kept vacant in the 3rd grade of Magistrates and Collectors and consequently Mr. B— cannot retain a duty lien on the appointment of Director of Agriculture, or draw the duty allowance during the privilege leave

portion of his leave. The question for decision is whether the Accountant General's ruling is correct and whether the Secretary of State's sanction is required to Mr. B—, drawing the duty allowance as proposed.

Comptroller General's decision.—The appointment of Director of Agriculture is one of the posts to be filled from the cadre of [illegible] e duty allowance is drawn by any [illegible] performing the duties of Director. [illegible] of Director of Agriculture and not [illegible] n the cadre. As Mr. M—, an outsider, has been brought in as Director, one appointment less than is usually the case has to be provided for from the cadre It has therefore been decided, with the sanction of the Secretary of State, that one third grade appointment in the cadre should be kept vacant during this arrangement It has nowhere been said that the Directorship of Agriculture has been abolished as an appointment to be filled from the cadre of Magistrates and Collectors and, if the Local Government desire Mr B— to retain a lien on the appointment and to draw the duty allowance during the privilege leave, I see no ground for audit objection Mr. B— is the substantive holder of the appointment and has been declared to have a lien on it. His *locum tenens*, Mr M—, is technically and actually officiating in the appointment and, although in discussing the emoluments he should draw, it was stated that he was to be practically substantive *pro tempore*, I see no objection to Mr B— drawing the duty allowance while on privilege leave It is presumed that in Mr. M—'s appointment of Imperial Agriculturist only an acting promotion has been made.

As regards the reduction of strength of the Indian Civil Service [illegible]

already been appointed substantively to that grade before Mr B— went on leave If it would mean such a reversion an officiating vacancy is sufficient

(A R Vol V—13) (Files No 509-A & A of 1916 and No 58-Code of 1927)

(5)

C. S. R., Art. 31.—A delegation of the power to decide whether an officer on privilege leave retains a duty lien on a post carrying special pay, is not a financial delegation

Terms of Reference.—In paragraph 5 of Government of India, Finance Department letter No 394-E B dated the 29th March 1915, it is stated that remunerative local allowances (duty allowance) and deputation (duty) allowance may be drawn by an officer on privilege leave if the Local Government is prepared to allow him to retain a lien on the appointment carrying such allowances

Comptroller General's decision.—In this case, dismissal was recommended, but it was considered sufficient to call upon the officer to retire. If the officer had not done so, he would obviously have been dismissed. I am of opinion, then, that he may be considered to have been "removed for misconduct" within the meaning of Article 353, Civil Service Regulations.

(A. R. Vol VII—7) (Files No 357-A & A of 1918 and No. 60-Code of 1927.)

(8)

C. S. R., Art. 355 (*b*).—A Local Government was competent to fill up permanently the places of certain medical officers who would have retired in normal circumstances, but who, owing to the exigencies of the War, were being retained as supernumeraries. But the sanction of the Secretary of State is necessary for allowing both the permanent incumbents and supernumeraries to count the service and emoluments for pension.

Terms of Reference.—The Government of Madras propose—

(1) to fill up permanently the places of all Civil Assistant Surgeons, Civil Apothecaries and Sub-Assistant Surgeons, who would have retired in normal circumstances but who, owing to the exigencies of the war, are being retained as supernumeraries; and

(2) to allow the supernumerary officers the benefit of counting service and emoluments in their supernumerary appointments for pension.

The question for decision is whether the proposals are within the competence of the Government of India to sanction

Comptroller General's decision.—(1) The immediate permanent appointment of the recruits to fill the vacancies does not require the sanction of the Secretary of State.

(2) As the supernumeraries admittedly became entitled to pension prior to their being placed on the supernumerary list, it is unnecessary to permit them to count for pension their service while as supernumeraries. If, however, it is desired to allow them to count that service for pension, the sanction of the Secretary of State will be required as the provisions of Article 355 (*b*) will be infringed.

(A. R. Vol. VIII—21) (Files No 190-A & A. of 1919 and No 61-Code of 1927.)

(9)

C. S. R., Art. 361.—Officers and men of the Indian Army cannot be allowed to count towards pension their former service in Jodhpur Imperial Service Troops without the sanction of the Secretary of State.

Terms of Reference.—The question for decision is, whether the previous sanction of the Secretary of State is necessary for the

grant to certain officers and men of the 32nd Lancers of the concession of reckoning their former service under the Jodhpur Imperial Service Troops towards their pension for service in the Indian Army.

Comptroller General's decision.—There can be no doubt that the sanction of the Secretary of State is necessary under Rule III (8), of the Audit Resolution.

It is urged, however, that the Government of India can sanction the concession and merely report their action subsequently to the Secretary of State, because

(a) the expense involved is comparatively small:
(b) the concession is not to be treated as a precedent:
(c) on a previous occasion the Government of India sanctioned such a concession and were not forced by Audit to report the matter to the Secretary of State.

As regards (a), I must point out that an increase of a pension for a comparatively small amount per mensem may involve a comparatively large sum if the pensioner be long-lived. In this case 9 men are concerned. As regards (e) I cannot accept a previous mistake of the Government of India and of the Audit Office as a justification for departing from the customary procedure on this occasion.

The Secretary of State has expressly stated that his sanction is not to be anticipated without the strongest possible reasons. If a case be urgent his sanction should be obtained by telegram There is nothing urgent about this case.

Even, if it be assumed, that the Secretary of State sanctioned the similar proposal contained in the Government of India, Military Department, despatch No 222, dated 6th November 1902, this would not justify an assumption that he would sanction the present proposals, as the former proposals were put forward in order to give the 3rd Lancers a good recruiting connection in Rajputana, which reasons do not exist in the present case

I hold, then, that the previous sanction of the Secretary of State is necessary

(A D IV—19) (Files No 181-A & A of 1914 and No 53-Code of 1927)

(10)

C. S. R., Art. 361.—The sanction of the Secretary of State is necessary to allow services rendered in the Mysore Police to count for pension from general revenues

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to allow Mr K V. S ————, an Inspector of Police in the Civil and Military Station at Bangalore, to count his past service of about 9 years in

(14)

C. S. R., Art. 361 and A. R. I., P. and A. R., Vol. II, para. 587.—The sanction of the Secretary of State is necessary to the payment of a pension by Government to a private follower of a Regiment, who was paid from Regimental funds.

Terms of Reference.—The question for consideration is whether the Government of India are competent to sanction the grant of a monthly pension of Rs. 4 only to a private follower of a Silladar Regiment, paid from the regimental funds, which are constituted out of compulsory subscriptions from officers.

Comptroller General's decision.—Article 924 (*b*), Civil Service Regulations, in its present form, and paragraph 1043-A, Army Regulations, India, Volume I, are based on the Secretary of State's despatch No 116, dated the 5th July 1901. In that despatch, he accepted a proposal put forward by the Government of India, but added the rider. "It should, however, be understood that the general spirit of the regulations is to be observed." In respect of pensions, I think this must be interpreted to mean that the fundamental conditions of qualifications set forth in Article 361, Civil Service Regulations, must be observed, and one of these qualifications is that service must be paid by Government. The proposal to interpret this condition so as to cover cases of men paid from regimental funds, therefore, requires the orders of the Secretary of State. The real reasons for treating this as a special case seem to be that the pension is one properly debitable to the regimental funds, which, in the present case, are insufficient to bear the burden. I am of opinion, therefore, that a reference to the Secretary of State is necessary.

(A. R., Vol. VII—15.) (Files No 510-A & A. of 1918 and No 60-Code of 1927.)

(15)

C. S. R., Art. 361.—An officer paid at a fixed monthly rate from Government money which is not credited into the Treasury, is none the less paid from general revenues and counts the service towards pension.

Terms of Reference.—Mr. B.———— was appointed Superintendent or Registrar of the Hiranpur Cattle Market in 1889, and subsequently the supervision of the Hiranpur Hide Market was added to his charge. From 1889 to March 1896 the market receipts were applied wholly to the payment of the salary of Mr. B.——— and his staff and to improvement to the roads and bridges leading to the market. Between April 1896 and August 1910 the balance of the market receipts after payment of Mr. B.————'s remuneration and other charges was credited to the Government Treasury. With effect from 1st September 1910 the whole of the market receipts have been credited into the treasury and the amounts pay-

able to Mr. B.———— for salary, etc., have been drawn from the treasury. From the 1st September 1910 Mr. B.———— has been holding a regular appointment under proper sanction and his service from this date qualifies for pension. It is proposed to declare the service from April 1896 to 31st August 1910 as qualifying for pension, and the question for decision is whether the proposal is within the competence of the Government of India.

Auditor General's decision.—As Mr. B.———— was paid a fixed salary he was not a contractor or lessee, but a servant paid by Government. The fact that before 1st September 1910 the market accounts were not kept according to the rules in the Civil Account Code does not affect Mr. B————'s position. The money he received as salary was part of the general revenues, even though it was not shown as such in the Government accounts. It is, therefore, within the competence of the Government of India to declare pensionable the service rendered by Mr. B.———— between 1st April 1896 and 1st September 1910.

(A. R Vol. IX—37) (Files No. 651-A & A. of 1920 and No 62-Code of 1927.)

(16)

C. S. R., Art. 361 (*a*) —The Government of India is competent to allow Supervisor Kanungoes in Assam to count towards pension their previous service as Mandals or Patwaris.

Terms of Reference —Under Note 2 to Article 350, Civil Service Regulations, the service of Mandals or Patwaris in Assam is non-pensionable, but the service of Supervisor Kanungoes in that province, who are usually recruited from mandals or patwaris, is pensionable. It is proposed—

(1) to allow Supervisor Kanungoes in the province, who are promoted from mandals or patwaris, to count towards pension their previous services as mandals or patwaris, and

(2) to exempt Supervisor Kanungoes from the operation of the restriction in Articles 147 (*iii*) and 335, Civil Service Regulations.

The question for decision is whether the proposals require the sanction of the Secretary of State

Auditor General's decision.—Sanction of the Secretary of State is not necessary in either case. It is presumed that the proposed concession is intended only for those cases where service as mandals or patwaris is or was paid from General Revenues.

(A. R Vol. IX—4) (Files No 262-A & A of 1920 and No. 62-Code of 1927)

(17)

C. S. R., Art. 365.—A permanent Government servant, transferred to a post paid from a Consulate office allowance does not count the service for pension, and the conversion of the post into a temporary post paid from general revenues, with a view to make, the service pensionable, would be an evasion of rules.

Terms of Reference.—One Munshi———, a permanent Kanungo in the Punjab on Rs. 25 a month, has been appointed for the period of the war as an additional clerk in the office of the Siestan Consulate on Rs. 120 a month. He is paid from the Consulate office allowance of Rs. 25,000 per annum, which was sanctioned by the Secretary of State in his despatch No. 18-Political, dated the 8th March 1912. As service on an establishment paid from a contract establishment allowance does not qualify for pension under Article 365, Civil Service Regulations, it is proposed to create a temporary appointment not paid from the office allowance so as to enable the official concerned to count his service under the Consulate for pension. The question for decision is whether the proposal requires the sanction of the Secretary of State.

Comptroller General's decision.—I do not find in this case any circumstance, save that it involves the transfer in the public interests of a man from permanent Government service, which differentiates it from any other case falling under Article 365, Civil Service Regulations. In all such cases men are engaged on Government work and are paid by Government. The service is regarded as non-pensionable because it is declared not to be under Government inasmuch as Government is not concerned with the detailed distribution of the allowance. If the rule works inequitably in the present case, it would operate in the same way in all cases of transfer of men to such employment from pensionable Government service, and I do not think it is right to evade the operation of the rule by the device of the creation of a temporary appointment. It is for the Government of India to decide, with the approval of the Secretary of State, whether the rule should be rescinded altogether or whether special concessions should be granted in the case of men transferred thereto from pensionable service.

(A. R. Vol VI—20.) (Files No. 163-A. & A. of 1918 and No. 59-Code of 1927.)

C. S. R., Art. 375.—The decision of the Secretary of State that, on the reorganisation of the Provincial Civil Service, its officers on confirmation should count service for leave and pension from the date of first appointment automatically cancels the restrictions in Articles 202 (*c*) and 375, Civil Service Regulations for all existing incumbents.

(*See* Section V, ruling 3, relating to Article 4, Civil Service Regulations.)

(Files No. 19-Audit of 1921 and No. 63-Code of 1927.)

(18)

C. S. R., Art. 376.—Service on deputation and foreign service of temporary Assistant Surgeons counts for pension, if their service would have counted had they continued in civil employment under Government.

Terms of Reference.—The question for consideration is whether the sanction of the Secretary of State is necessary to allow the period of deputation (to Military Department or Foreign Service) of the temporary Assistant Surgeons who were originally employed *vice* Military Assistant Surgeons recalled to military duty and then proceeded on military duty (Indian Medical Service) or on Foreign Service, to count for promotion and pension.

Comptroller General's decision.—The sanction of the Secretary of State is not necessary to the period of deputation or foreign service of the temporary Assistant Surgeons in question counting for promotion as the remuneration does not exceed Rs. 800 per month.

Nor is sanction of the Secretary of State necessary to the period of deputation counting for pension, if such period would have so counted had the temporary Assistant Surgeons continued in civil employment and not been deputed.

The same remarks apply to the period on foreign service but contributions should be recovered in respect of the period which is allowed to count for pension

(A R Vol VIII—58) (Files No 514-A & A of 1919 and No. 61-Code of 1927)

C. S. R., Art. 386.—The proposal to allow the second Observer of an Observatory to count towards pension, allowances paid by the Government and received from the Port Commissioners for work in which complete control over the officer has been exercised by Government should be considered as falling under Articles 386 and 783, Civil Service Regulations, in spite of failure to pay contribution on them

(*See* Section V, ruling 13, relating to Article 361, Civil Service Regulations) (*Files No 438-A & A of 1919 and No 61-Code of 1927*)

(19)

C. S. R., Art. 396.—The sanction of the Secretary of State allowing Head Warders of Jails to count their whole service towards pension on the superior scale, covers cases in which a Warder rises direct to a rank, higher than that of Head Warder.

Terms of Reference—In his despatch No 59-Finl, dated the 6th August 1915, the Secretary of State sanctioned a proposal that the whole service of head warders of jails (including their service as warders) should count towards pension on the superior scale. It is proposed that the same concession should also be extended to

the case of those warders who, without having been head warders, have risen to a higher rank (*i.e.*, assistant jailors and jailors). The question for decision is whether the proposal is within the competence of the Government of India to sanction.

Comptroller General's decision.—The Secretary of State's sanction may be held to cover the cases in which a warder rises direct to a rank higher than that of head warder and his further sanction is not necessary.

(A. R. Vol. VII—1.) (Files No. 334-A. & A. of 1918 and No. 60-Code of 1927.)

(20)

C. S. R., Art. 398.—A forest guard in inferior service who subsequently rises to a post in superior service becomes eligible, on completion of the required period of service, for a pension of half of his average emoluments for the last three years, notwithstanding the provisions of Article 398, Civil Service Regulations.

Terms of Reference.—The Secretary of State in his despatch No. 32 Financial, dated 13th March 1914, sanctioned the proposal made in the Government of India despatch No. 28, dated 30th January 1914, " to class as superior the service of such grades of forest guards on pay exceeding Rs. 10 a month as may be specified by the Local Governments or Administrations." In recommending this proposal to the Secretary of State, the Government of India observed, in paragraph 1 of their despatch that under the present proposal " he (the forest guard) would become eligible, on completion of the required period of service, for a pension of one-half of his average emoluments for the last three years of service." This statement as to the result of the acceptance of the proposal is inaccurate inasmuch as it conflicts with the provisions of Article 398. Civil Service Regulations, and the question for decision is whether the sanction of the Secretary of State can be held to be an acceptance of the result indicated in the Government of India despatch or as an acceptance of the actual proposals.

Comptroller General's decision.—The decision must be based upon the wording of the Secretary of State's despatch, and therein he has accepted the proposal to class as superior the service of such grades of forest officers on pay exceeding Rs. 10 a month as may be specified by the Local Governments or Administrations. This despatch cannot be interpreted as sanctioning anything more than is expressly stated in the words quoted.

[The Secretary of State in his despatch No. 14 Financial dated 19th February 1915 sanctioned the proposal to waive the provisions of Article 398, Civil Service Regulations, in favour of officers who begin service as forest guards on the inferior scale and subsequently rise to appointments in superior service in or above the rank of forest guards.]

(A. D. IV—65.) (Files No 448-A. & A. of 1914 and No. 63-Code of 1927.)

(21)

C. S. R., Art. 403.—Unless the cost of pension is borne in accordance with the rule of proportions, Secretary of State's sanction is necessary to allow a Government servant to count towards pension his previous service under a Local Body.

Terms of Reference.—Mr. ———— was appointed a temporary Professor of Engineering in the College of Engineering, Madras. He resigned this appointment in order to take up the permanent appointment of Engineer of the Madras Corporation. After holding this post for about five years, he was appointed permanently to the Indian Educational Service. At the time of the transfer he was over thirty-eight years of age and had put in a service of about five years counting for pension from Corporation revenues. The questions for decision are:—

(1) whether Mr. ———— will be entitled to pension on the total service under the Madras Corporation and subsequently in his permanent appointment, and

(2) whether he is entitled to the benefits of Article 403, Civil Service Regulations.

Comptroller General's decision.—As regards (1), the view has been expressed by the Finance Department that this is admissible under Article 801 (1), Civil Service Regulations But that clause states that the transfer of Government servants to service under Local Funds should ordinarily be dealt with under the rules regarding Foreign Service It is to be noticed in this case that Mr. ———— prior to his appointment under the Madras Corporation, was merely in temporary Government employ and he resigned that appointment so as to enter the service of the Madras Corporation. He was not, therefore, when he entered Local Fund service, a Government servant at all. It is true that he has since become a Government servant, but his case is really one of the transfer of a Local Fund servant to Government employ The Rule of Proportions may, however, be applied to Mr ————'s case under Article 801 (1), Civil Service Regulations provided both the Madras Government and the Madras Corporation agree If the latter, then, agree to accept any pensionary charge that may eventually be debited to them under this head, Mr ————'s pensionable service under Government can be held to start from the date he joined the Madras Corporation, and in that event the provisions of Article 403, Civil Service Regulations, cannot be applied to Mr. ———— without the sanction of the Secretary of State. If, however, the Madras Corporation are not willing to accept the pensionary charge, the provisions of Article 403, Civil Service Regulations, can be applied to Mr ————'s pensionary service under Government.

(A. D. II—21.) (Files No. 96-A. & A. of 1913 and No. 51-Code of 1927.)

(22)

C. S. R., Art. 423 (2).—Article 423 (2), Civil Service Regulations, applies to non-qualifying service of an officer who subscribed to a State Railway Provident Fund, but repays the bonus he received for his subscriptions.

Terms of Reference.—The question for decision is whether non-pensionable service in a State Railway in respect of which the officer has subscribed to a State Railway Provident Fund and received bonus from Government on such subscriptions, can be considered to be service paid from General Revenues but not counting for pension for the purpose of Article 423 (2) (*a*), Civil Service Regulations.

Comptroller General's decision.—Provided that the officer repays the bonus, I see no objection to his service under the State Railway being considered to be service paid from General Revenues but not counting for pension.

It may be remarked that the bonus was an absolute liability of Government payable to the officer's heirs if he dies, whereas the pension is a liability contingent on his retirement before death.

(A. D III—24.) (Files No 80-A & A of 1914 and No. 52-Code of 1927.)

(23)

C. S. R., Art. 426.—The claim to pension or gratuity of an enemy subject, discharged because of his nationality, is not invalid in audit.

Terms of Reference.—Mr. S ——————who was of German nationality, held the post of the Head Master of a Municipal Board High School, from the 16th May 1910 to the 31st August 1913 under a minor Local Government. The post was made pensionable under Article 802, Civil Service Regulations, with effect from the 1st October 1910. On the 1st September 1913 the school was provincialised and came to be known as the Government High School, and it was decided that the post of the Head Master should be held by an officer of the Indian Educational Service. Mr. S.——————was, however, allowed to stay on as Head Master holding the appointment substantively till the 11th October 1913 on which date he was relieved by an Indian Educational Service officer, and discharged from the service of Government. His pay at the time of discharge was Rs. 350. On the 2nd November 1913 a Local Government appointed Mr. S.—————— as the Head Master of a Zila School as a temporary measure, pending the inclusion of the temporary post of Head Master in the Indian Educational Service. His service in the school was terminable on one month's notice and was definitely non-pensionable. He was discharged on the 23rd July 1915, owing to the War with Germany being an enemy subject. He was granted one month's pay in lieu of notice. Mr. S.

————— has now claimed gratuity of 3 months' pay amounting to Rs. 1,050 in respect of 3 completed years of pensionable service in the former school. The question for consideration is whether the claim is admissible and whether the case is covered by the rules in the Civil Service Regulations, which do not provide for a case in which a Government Servant is discharged on account of being an enemy subject.

Auditor General's decision.—The claim arose on the 10th October 1913, when Mr. S ————— was discharged from pensionable service. His subsequent service was definitely non-pensionable. Had he raised a claim immediately afer the 10th October 1913 it would have been necessary to consider the claim with regard to the relevant rules in the Civil Service Regulations The rules which would have to be considered are those contained in Articles 429 and 434 of the Civil Service Regulations, and I am of opinion that the case falls under Article 434, Civil Service Regulations, and that the claim to gratuity if presented before the 1st August 1914, would obviously have been permissible. It is not the function of an audit authority to state whether the admissibility of

Page 193, Section V, Ruling (23)—

Substitute the word "invalidated" for the word "invalided" in line 13 of the Auditor General's decision.

(Compilation of Audit Rulings, No. 8, dated 1st October 1929.)

(24)

C. S. R., Art. 465.—Members of the Burma Military Police are governed by the rules in the Civil Service Regulations for pension and cannot, therefore, be compulsorily retired without the sanction of the Secretary of State.

Terms of Reference.—The question for consideration is whether the proposal of the Burma Government to require all Indian officers, non-commissioned officers and men of the Burma Military Police, to retire on pension as have completed 30 years' service towards pension and are considered inefficient or whom it is considered undesirable to retain longer in service, is within the competence of the Government of India to sanction

Comptroller General's decision—From Articles 714, 726, 727, Civil Service Regulations, it is clear that practically all existing members of the Burma Military Police come under the rules in the Civil Service Regulations for pensions These rules give no power to any authority in India to require men to take retiring pension in conditions such as now obtain in the Burma Military Police. So the proposal requires the sanction of the Secretary of State

(A R Vol VII—42) (Files No 121-A & A of 1919 and No 60-Code of 1927)

(25)

C. S. R., Art. 486.—Extra remuneration for loss of acting allowance should not count for pension, since acting allowance itself does not count.

Terms of Reference.—With a view to compensate officers of the Imperial Police Service for the loss of their normal expectations of officiating promotion due to the recall of officers from leave and general suspension of the grant of leave on account of the war, the Government of India in January 1915 sanctioned, with the approval of the Secretary of State, a guaranteed minimum scale of salary for officers of more than two years' service, under which the difference between an officer's actual salary and the guaranteed minimum was to be made up by the grant of a personal allowance. The question referred for decision is whether the additional allowance may be allowed to count for pension.

Auditor General's decision.—The extra remuneration was granted to compensate for loss of acting allowance due to the embargo on leave; and as acting allowance does not count towards pension, the proposal to allow the allowance, given in place of ordinary acting allowance, to count for pension requires the sanction of the Secretary of State.

(A R Vol IX—50.) (Files No. 34-A. & A. of 1921 and No 62-Code of 1927.)

(26)

C. S. R., Art. 486.—Extra emoluments drawn in temporary appointments may count for pension if the emoluments were regulated under Article 76-C or 81, Civil Service Regulations, but not if they were regulated under Article 76-B.

Terms of Reference.—Messrs. R.———— and E.———— Superintendents of the Northern India Salt Revenue Department, were appointed in 1922 to hold temporary posts of Assistant Engineers for the Sambhar Development Works on consolidated rates of pay. The question referred for decision is whether the extra emoluments drawn by the officers in these temporary posts may be taken into account in calculating their pension.

Auditor General's decision.—The decision in this case should be governed by the method in which the emoluments of these two officers were regulated when they were appointed to these posts,—whether they were in fact regulated under Article 76-B, Civil Service Regulations or under Article 76-C read with Article 81. If the remuneration was regulated under Article 76-B then the substantive pay of their permanent post only should be taken into account in determining the pension. If their remuneration was regulated under Article 76-C or under Article 81 the pension should be based on the pay of their temporary post..

(A. R. Vol. XII—9) (Files No. 421-A of 1923 and No 65-Code of 1927.)

(27)

C. S. R., Art. 514.—The sanction of the Secretary of State is not necessary before a re-employed pensioner can be authorised to draw his full pension in addition to pay, even though the whole may exceed his pay at the time of retirement.

Terms of Reference —Mr. J.————, a Telegraph Master, retired from Government service with effect from 18th September 1908, on a retiring pension of Rs. 137-8-0 per mensem, his pay before retirement being Rs. 275. Subsequent to his retirement, however, he simultaneously received two promotions,—one permanent to the grade of Deputy Superintendent, class II, on Rs. 280—15—325, and the other officiating to the grade of Deputy Superintendent, class I, on a salary of Rs. 345 per mensem (*i.e.*, pay Rs. 280 *plus* acting allowance Rs. 65) with retrospective effect from 1st July 1908. Mr. J.————from the date of his retirement was re-employed in the service of the North Western Railway as a Telegraph Instructor on Rs. 200 per mensem, and he continued to draw this rate of pay till 31st March 1910 when he was promoted to Rs. 217-8 per mensem. Under the provisions of Articles 522 (*ii*) and 514, Civil Service Regulations, Mr. J.————'s pay in the North Western Railway *plus* pension should not have exceeded Rs. 280 which was his substantive pay at the time of retirement. Mr. J.————'s pay in the Telegraph Department would have been raised to Rs. 355, had he remained in the Department for another 2 days, and the question was whether he might as a special case be allowed to draw pay and pension up to that limit. Or in other words, it was proposed to relax the provisions of Article 522 (*ii*), Civil Service Regulations, so as to permit Mr. J.———— to draw a portion of his pension greater by Rs. 50 per mensem than the portion admissible under the operation of the provisions of that article, and the question for decision was whether such relaxation required the sanction of the Secretary of State.

Comptroller General's decision.—Rule I of the Audit Resolution states that "the cases in which the Audit Officer is to regard that sanction as necessary is stated in the following rules." Rule II defines "remuneration," and states that this word does not include the pension of an officer who is re-employed.

This relaxation of the rule contained in Article 514, Civil Service Regulations, therefore, did not require the sanction of the Secretary of State under the rules in the Audit Resolution relating to remuneration. But it had to be considered whether it required such sanction under Rule III (7) as being "the grant of a pension ....that is not admissible under the provisions of the Civil Service Regulations." It was held that even under this rule sanction was unnecessary. Mr. J.———— has not been granted, and it was not proposed to grant him, a pension in excess of what was admissible under the provisions of the Civil Service Regulations;

Terms of Reference.—The pay of Superintending Engineers class I, under the old rate of pay, was Rs. 2,000. On the new time-scale, their pay is Rs. 1,750—100—2,150 and the class distinction is not to be maintained. The proposal now is that the pay of Rs. 2,050 of the Superintending Engineer class on the new time-scale should be taken as corresponding to the pay of a Superintending Engineer class I, in order to entitle an officer to the special additional pension under Article 643, Civil Service Regulations, and to amend the article accordingly. The question for consideration is whether this requires the sanction of the Secretary of State

Auditor General's decision.—There is no objection to the stage of Rs. 2,050 being taken as corresponding to the pay of a Superintending Engineer class I, for the purposes of Article 643, Civil Service Regulations.

The amendment of the article does not require the previous sanction of the Secretary of State, as it merely involves the amendment of an existing rule so as to adopt it to the revised scale of pay sanctioned for a particular class of officers. The change made in the rule might, however, be reported to the Secretary of State by Secretary's letter.

(A. R. Vol. IX—11) (Files No 320-A & A. of 1920 and No. 62-Code of 1927.)

(31)

C. S. R., Art. 730.—The compensation for board and lodging paid to Warrant officers of the Royal Indian Marine should be added to their pay for the purpose of calculating their wound, injury and family pensions.

Terms of Reference.—The question for consideration is whether the sanction of the Secretary of State is required to the inclusion of the compensatory allowance of Rs. 60 a month drawn by European and Indian Warrant Officers of the Royal Indian Marine in lieu of board and lodging, in salary for the purpose of determining the amount of wound, injury and family pensions of such officers.

Comptroller General's decision.—Wound, injury and family pensions of European and Indian Warrant Officers of the Royal Indian Marine are regulated by the rules in Article 730 (*ii*) and (*iii*) of the Civil Service Regulations on the salary drawn. Under paragraph 269 VII, *Marine Regulations, India, Volume I, Part II*, the ordinary service pensions of warrant officers, gunners, and clerks are calculated under the rules for the uncovenanted service, as laid down in the Civil Service Regulations, Rs. 60 a month (the amount of compensation in lieu of board and lodging) being added to ' pay '. From this it follows that the allowance in question may also be reckoned for wound, injury, and family pensions as ' salary '

includes 'pay.' A reference to the Secretary of State is not required

(A. R. Vol VI—50.) (Files No 596-A. & A. of 1917 and No. 59-Code of 1927.)

(32)

C. S. R., Art. 743 (*a*).—The grant of a pension the capitalised value of which is below Rs. 1,000 may be sanctioned by the Government of India under Article 743 (*a*), Civil Service Regulations.

Terms of Reference.—A packer deputed to Field Service in Mesopotamia with an expeditionary force was accidentally drowned in a well, after rendering service for three months and eighteen days in the field It is proposed to grant his father (there being no wife or child of the deceased) a pension of Rs. 4 per mensem. The question for consideration is whether the proposal requires the sanction of the Secretary of State.

Comptroller General's decision.—Under Article 743 (*a*), Civil Service Regulations, the Government of India can give a gratuity of Rs. 1 000. The present value of the proposed pension, *viz.*, Rs 4, the age of the pensioner being 56, is under Rs. 540. I am, therefore, of opinion that the sanction of the Secretary of State is not required.

(A R Vol. VIII—60) (Files No. 641-A. & A. of 1919 and No 61-Code of 1927.)

C. S. R., Art. 783.—The proposal to allow the second Observer of an Observatory to count towards pension, allowances paid by the Government and received from the Port Commissioners for work in which complete control over the officer has been exercised by Government should be considered as falling under Articles 386 and 783, Civil Service Regulations in spite of failure to pay contribution on them.

(*See* Section V, ruling 13, relating to Article 361, Civil Service Regulations)

(Files No 438-A. & A. of 1921 and No. 61-Code of 1927.)

(33)

C. S. R., Art. 802.—The Government of India is not competent to waive the condition requiring Government audit for bringing employees of the Dufferin Association under Article 802, Civil Service Regulations.

Terms of Reference.—The question referred for decision was whether there were any objections from an audit point of view to the proposal that the Lady Doctors employed under the Dufferin Association should be allowed to have their services rendered qualifying for pension from general revenues under Article 802, Civil Service Regulations.

Comptroller General's decision.—In the first place, the Dufferin Association is not a Local Fund within the meaning of Article 802,

Civil Service Regulations. But this difficulty could be met if the Government of India declared it as a Local Fund under the authority vested in them in Article 33, Civil Service Regulations. The next question was whether, if such a declaration were made and the Association were given the same status as a Local Fund, there would be any difficulty in the way of its subscribing for the pensions of its Lady Doctors under Article 802, Civil Service Regulations. In order that this might be done two conditions would have to be satisfied, *viz.*, (*a*) the funds of the Local Body in question should be deposited in a Government treasury, and (*b*) its accounts should be audited by the Accountant General. So far as the first condition was concerned, exceptions could be made, and, as a matter of fact had been made, by the Government of India in several cases. With regard to the second condition, however, the position was not altogether free from doubt. So far as ordinary Local Funds were concerned, this difficulty seldom arose, the reason being that their accounts were invariably audited by the Examiner of Local Funds of the Provinces concerned. But in the present case it did not appear that the accounts of the Dufferin Association were audited by the Government Accounts Department, and it was for consideration whether in the absence of such audit by Government it was permissible to extend the provisions of Article 802, Civil Service Regulations, to the employés of the Association. It appeared, however, that a similar exception had been made by the Government of India in the case of certain teachers of the Daly College, Indore, and all that was claimed in the present instance was that a similar exception might be sanctioned in respect of the employés of the Dufferin Association. It was, however, doubtful if the Government of India were competent to sanction an exemption like this without reference to the Secretary of State. The object of the condition regarding audit by Government agency is clearly to enable the latter to satisfy themselves that the contributions are being paid in at the proper rates,—a fact the correctness of which could not be verified under circumstances other than those laid down in Article 802, Civil Service Regulations. Consequently, if this condition was waived, as had been done in the case of the Daly College employés, the result would practically be that Government would be undertaking the pension liabilities in regard to the employés of the Association without any satisfactory evidence as to whether the proper rates of contribution were being recovered; that is to say, it would virtually amount to the grant of pensions outside the existing rules and as such would require the sanction of the Secretary of State. It was, therefore, held that the proposed extension of the rule in Article 802, Civil Service Regulations, to the case of the Lady Doctors employed under the Dufferin Association could not be sanctioned, unless the condition about audit of their accounts by the Government Audit Department was enforced.

(A. D.—33 of 12-13.) (Files No. 43-A. & A. of 1913 and No. 50-Code of 1927.)

(34)

C. S. R., Art. 802.—Retention of pensionary rights of Local Fund employees after discontinuance of contributions under Article 802, Civil Service Regulations, requires the sanction of the Secretary of State.

Terms of Reference.—A Municipality in the Presidency of [illegible]

from 1st November 1924 the Municipality decided to establish a Pension Fund of their own for the teachers, and to stop payment of contribution to Government. The question for decision is whether the Local Government can make any arrangement for safeguarding the rights of the teachers to pensions from general revenues in respect of their service up to 31st October 1924.

Auditor General's decision.—It is quite clear that no rule in the Civil Service Regulations covers the case precisely, and any proposal which the Local Government may have to make will require the sanction of the Secretary of State.

(A R. Vol. XIII—4.) (Files No. 292-A of 1924 and No. 66-Code of 1927.)

(35)

C. S. R., Art. 918.—The Government of India is competent under [illegible] India [illegible] ment,

Terms of Reference.—Under the rule in Article 918, Civil Service Regulations, a pension which is certified by the responsible audit officers concerned to be admissible, is sanctioned by the authority who has powers to fill up the appointment vacated by the retiring officer. For the sake of convenience it is proposed to delegate to the High Commissioner for India the powers to sanction pensions earned by members of his establishment, including officers whose pay is in excess of £300 per annum which sum is the maximum pay of appointments which the High Commissioner is authorised to fill. The question for consideration is whether the proposal is within the competence of the Government of India.

Auditor General's decision—I have no objection to the delegation proposed but I think the Government of India should retain the right to reconsider their orders when the new pension rules come into force seeing that it is possible for the Secretary of State to modify those rules so as to make the delegation inadmissible.

(A. R. Vol. XI—1.) (Files No 305-A. of 1922 and No 64-Code of 1927.)

Civil Service Regulations. But this difficulty could be met if the Government of India declared it as a Local Fund under the authority vested in them in Article 33, Civil Service Regulations. The next question was whether, if such a declaration were made and the Association were given the same status as a Local Fund, there would be any difficulty in the way of its subscribing for the pensions of its Lady Doctors under Article 802, Civil Service Regulations. In order that this might be done two conditions would have to be satisfied, *viz.*, (*a*) the funds of the Local Body in question should be deposited in a Government treasury, and (*b*) its accounts should be audited by the Accountant General. So far as the first condition was concerned, exceptions could be made, and, as a matter of fact had been made, by the Government of India in several cases. With regard to the second condition, however, the position was not altogether free from doubt. So far as ordinary Local Funds were concerned, this difficulty seldom arose, the reason being that their accounts were invariably audited by the Examiner of Local Funds of the Provinces concerned. But in the present case it did not appear that the accounts of the Dufferin Association were audited by the Government Accounts Department, and it was for consideration whether in the absence of such audit by Government it was permissible to extend the provisions of Article 802, Civil Service Regulations, to the employés of the Association. It appeared, however, that a similar exception had been made by the Government of India in the case of certain teachers of the Daly College, Indore, and all that was claimed in the present instance was that a similar exception might be sanctioned in respect of the employés of the Dufferin Association. It was, however, doubtful if the Government of India were competent to sanction an exemption like this without reference to the Secretary of State. The object of the condition regarding audit by Government agency is clearly to enable the latter to satisfy themselves that the contributions are being paid in at the proper rates,—a fact the correctness of which could not be verified under circumstances other than those laid down in Article 802, Civil Service Regulations. Consequently, if this condition was waived, as had been done in the case of the Daly College employés, the result would practically be that Government would be undertaking the pension liabilities in regard to the employés of the Association without any satisfactory evidence as to whether the proper rates of contribution were being recovered; that is to say, it would virtually amount to the grant of pensions outside the existing rules and as such would require the sanction of the Secretary of State. It was, therefore, held that the proposed extension of the rule in Article 802, Civil Service Regulations, to the case of the Lady Doctors employed under the Dufferin Association could not be sanctioned, unless the condition about audit of their accounts by the Government Audit Department was enforced.

(A D —33 of 12-13) (Files No 43-A & A of 1913 and No 50-Code of 1927.)

(34)

C. S. R., Art. 802.—Retention of pensionary rights of Local Fund employees after discontinuance of contributions under Article 802, Civil Service Regulations, requires the sanction of the Secretary of State.

Terms of Reference.—A Municipality in the Presidency of Bombay had made an arrangement under Article 802, Civil Service Regulations, for contributing for pensions from the general revenues for the primary school teachers employed under them. With effect from 1st November 1924 the Municipality decided to establish a Pension Fund of their own for the teachers, and to stop payment of contribution to Government. The question for decision is whether the Local Government can make any arrangement for safeguarding the rights of the teachers to pensions from general revenues in respect of their service up to 31st October 1924.

Auditor General's decision.—It is quite clear that no rule in the Civil Service Regulations covers the case precisely, and any proposal which the Local Government may have to make will require the sanction of the Secretary of State.

(A R Vol. XIII—4.) (Files No. 292-A. of 1924 and No. 66-Code of 1927.)

(35)

C. S. R., Art. 918.—The Government of India is competent under [illegible] India [illegible] ment, [illegible]

Terms of Reference.—Under the rule in Article 918, Civil Service Regulations, a pension which is certified by the responsible audit officers concerned to be admissible, is sanctioned by the authority who has powers to fill up the appointment vacated by the retiring officer. For the sake of convenience it is proposed to delegate to the High Commissioner for India the powers to sanction pensions earned by members of his establishment, including officers whose pay is in excess of £300 per annum which sum is the maximum pay of appointments which the High Commissioner is authorised to fill. The question for consideration is whether the proposal is within the competence of the Government of India.

Auditor General's decision.— [illegible] into force seeing that it is possible for the Secretary of State to modify those rules so as to make the delegation inadmissible.

(A. R. Vol. XI—1.) (Files No 305-A. of 1922 and No. 64-Code of 1927.)

(36)

C. S. R., Art. 924.—Schedule of Powers of Railway Board, item 274.—Sanction of the Secretary of State is necessary to the grant from Railway revenues of a gratuity or bonus to the family of a deceased Government servant who was employed on a railway on foreign service conditions.

Terms of Reference.—Gunner M——————, was in pensionable Government service from May 1877 to the time of his death in May 1918. He was directly under Government up to February 1897 and since then was in Foreign Service under the Railway Company At the time of his transfer to Foreign Service his pay was Rs. 30, on which the Railway Company was paying contribution to Government under the Foreign Service Rules. At the time of his death he was receiving a pay of Rs. 52-8-0 from the Company. It is proposed to grant his widow from the revenues of the Railway a gratuity or bonus of Rs. 420, which is equivalent to 8 months' actual pay at the time of his death. The question for decision is whether the proposal is within the competence of the Government of India.

Auditor General's decision.—Item 274 of the "Schedule of Powers of the Government of India and the Railway Department Railway Board) in Railway matters" relates to gratuities to subordinate Railway employés, etc., on the non-pensionable Establishment, *vide* paragraph 2 (*v*) of Railway Board's letter No. 1820-R. E., dated the 20th June 1912. The Government of India cannot, therefore, sanction a gratuity to the late Gunner M——————, or his family under the above orders, nor can the—————— Railway Company. Article 924, Civil Service Regulations, does not permit the grant of a pension to the family of the deceased in this case. Sanction of the Secretary of State is therefore necessary unless resort be had to the Compassionate Fund, which is exactly intended for cases of this kind.

(A R. Vol IX—23.) (Files No. 502-A. & A. of 1920 and No 62-Code of 1927.)

C. S. R., Art. 924 (*b*).—Article 4, Civil Service Regulations, governs the general rules of pension, but special powers of Government of India have effect from the date of effect of relevant orders.

(*See* Section V, ruling 2, relating to Article 4, Civil Service Regulations.)

(Files No 512-A. & A. of 1917 and No. 59-Code of 1927.)

(37)

C. S. R., Art. 924 (*b*).—Restriction of pension to maximum of half emoluments is not essential under the general spirit of the Civil Service Regulations.

Terms of Reference.—Mohd. M——————was a Record Sorter in the Home Department. Under Article 481 (*b*) (*i*), Civil

Service Regulations, he is entitled to a maximum pension of half pay not exceeding Rs. 20 per mensem. But the Government of India granted to him a pension of Rs. 25 per mensem under Article 924 (*b*), Civil Service Regulations, on account of his long and meritorious service for 42 years. The question for consideration was whether the sanction was *intra vires* of the Regulations inasmuch as the restriction of the pension to one half of the emoluments was not observed.

Auditor General's decision.—Reading together clauses (*a*) and (*b*) of Article 924, Civil Service Regulations, it is obvious that the Government of India can accord the sanction contemplated unless it can be stated that under the general spirit of the Regulations pension in excess of half emoluments can never be granted. I do not think that it is necessary to interpret the phrase " the general spirit of the Regulations " in this manner. I should rather turn to Article 361, Civil Service Regulations, to obtain an indication of the general spirit of the Regulations referred to in Article 924 (*b*) I do not think that an absolute restriction of the pension to one half of the emoluments can be taken to be part of the general spirit of the Regulations.

(A. R Vol. XII—7.) (Files No. 347-A of 1923 and No 65-Code of 1927.)

SECTION VI.—AUDIT RULINGS RELATING TO THE ARMY REGULATIONS, INDIA.

(1)

Financial Regulations for the Army in India, Part I, 8 & 19.—Expenditure chargeable to the Imperial Government in connection with the War, may be sanctioned in the absence of budget allotment.

Terms of Reference.—The question for decision is whether expenditure debitable to the Imperial Government can be sanctioned by the officers concerned, under the Note to paragraph 6 of Army Regulations, India, Volume III, in the absence of budget allotment. The Examiner of Military Works has held that the restriction in paragraph 14 is applicable.

Comptroller General's decision.—In practice no grants are placed at the disposal of any authority in India for the expenditure in question and it is observed from the papers leading to the issue of the Note to paragraph 6, Army Regulations, India, Volume III, that budget grants were not intended to be made for the purpose. The expenditure may, therefore, be sanctioned in accordance with the above rule.

(A. R. Vol. V—21.) (Files No. 8-A. & A. of 1917 and No. 58-Code of 1927.)

(2)

A. R. I., P. & A. R., Part I, para. 104.—An officer of the Army Veterinary Corps may draw Indian pay and allowances in lieu of British pay of rank from the date of his arrival in India until the appointment which he is to fill falls vacant, if a temporary post is created by the Government of India for the period.

Terms of Reference.—The question for decision is, whether the sanction of the Secretary of State is necessary to the grant of Indian pay and allowances to Lieutenant-Colonel ———, Army Veterinary Corps, for the period from 2nd to 31st January 1913, *i.e.*, from the date of his arrival in India until the appointment fell vacant.

Comptroller General's decision.—Under paragraph 175 (*h*) of Army Regulations, India, Vol. I, Lieutenant-Colonel ——— was entitled only to the British pay of his rank but, as he was employed on duty during the period, the Army Department sanctioned, as a special case, the admission of Indian pay and allowances.

Under Rule III (4) (*c*) of the Audit Resolution of 15th March 1913, the Secretary of State's sanction is required to the temporary

appointment or deputation of an officer on a remuneration exceeding Rs. 800 but not exceeding Rs. 4,166⅔ a month only when it is expected to last or does last for more than two years.

In the present case Lieutenant-Colonel ———'s special duty lasted only for 30 days, and the Government of India are competent to sanction it without a reference to the Secretary of State.

(A. D. IV—22.) (Files No 485-A. & A. of 1913 and No. 53-Code of 1927.)

(3)

A. R. I., P. & A. R., Part I, paras. 171, 349 and 351.—The grant, to an officer of the Royal Army Medical Corps, of an allowance in excess of that permitted by paragraph 36 of Army Regulations, India, Volume I, for holding charge of the duties of another officer, in addition to his own duties, requires the sanction of the Secretary of State.

Terms of Reference.—The question for decision is whether the grant of an allowance of Rs. 100 a month to Major L———, an officer of the Royal Army Medical Corps, in charge of the Station Hospital at Kasauli, for holding charge of the duties of the Medical Officer, Lawrence Asylum, Sanawar, in addition to his own duties, would require the sanction of the Secretary of State.

Comptroller General's decision.—Under paragraph 36 of the Army Regulations, Volume I, the officer can be granted an allowance of Rs. 50 a month representing half the staff pay of the post. Paragraph 123, Army Regulations, India, Volume I, does not apply as the additional charge is not that of Native troops and followers. The grant of an allowance in excess of Rs. 50 a month would, therefore, require the sanction of the Secretary of State, under clause III (3) (*b*) and the last sentence of clause IV of the Audit Resolution.

(A. R. Vol. I—26.) (Files No. 593-A. & A of 1914 and No 54-Code of 1927.)

(4)

A. R. I., P. & A. R., Part I, Rules 349—356.—Secretary of State's sanction is necessary to allow an officer officiating as Superintendent, Gun Carriage Factory, to draw full staff pay as Superintendent and to count the officiating service for increments in the appointment on confirmation.

Terms of Reference—The question for decision is whether the sanction of the Secretary of State is necessary (*a*) to allow Lieutenant-Colonel T——— to draw the full staff pay of Superintendent, Gun Carriage Factory, while he is officiating in that appointment in consequence of the absence of Lieutenant-Colonel B——— on medical leave out of India, and (*b*) to count his officiating service towards the quinquennial increments

of pay (Rs. 600, 700 and 800) attached to the post of Superintendent.

Comptroller-General's decision.—As the permanent Superintendent is on leave, the allowances of his *locum tenens* should be regulated by paragraph 29, Army Regulations, India, Volume I. Under Clauses (*g*) and (*j*) of that paragraph and paragraph 363, Army Regulations, India, Volume I, only half the minimum staff pay of the higher appointment is admissible to the officer as acting allowance in addition to the half staff pay of his permanent appointment. The proposal to give him the full minimum staff pay of the higher appointment and to allow him to count the officiating service for increments in the pay of that appointment would, therefore, require the sanction of the Secretary of State under Rules III (3) (*b*) and IV of the Audit Resolution.

(A. R. Vol IV—12.) (Files No. 340-A. & A. of 1916 and No. 53-Code of 1927.)

(5)

A. R. I., P. & A. R., Part II, paras. 575 and 587.—The counting of service in the Baloch Levy towards pension for service in the Regular Army, requires the sanction of the Secretary of State

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary for the grant to a lance naik of the 1-124th Baluchistan Infantry of the concession of reckoning half of his former service in the Dera Ghazi Khan Baloch Levy towards pension for service in the Indian Army.

Comptroller General's decision.—Unless and until service in the Baloch Levy is included in paragraph 1032 (*v*), Army Regulations, India, Volume I, the proposed concession as to counting service for pension will require the sanction of the Secretary of State, if the amount of pension eventually to be granted exceeds the limit laid down in paragraph 1043-A., Army Regulations, India, Volume I.

(A. R. Vol. VI—38.) (Files No. 485-A. & A. of 1917 and No. 53-Code of 1927.)

(6)

A. R. I., P. & A. R., Part II, para. 587.—A pension to the family of a sepoy who was executed for disobedience to legal orders is inadmissible.

Terms of Reference.—Sepoy M————————, late a soldier of ———— was shot dead for disobedience of legal orders by order of a Court Martial.

The Officer Commanding Depôt has submitted a claim for family pension.

The question for consideration is whether the Government of India is competent to sanction a family pension on the lower scale to the family of the deceased under paragraph 1043-A., Army Regulations, India, Volume I.

Auditor General's decision.—It would not be permissible for the Government of India in this case to sanction a pension under paragraph 1043-A., Army Regulations, India, Volume I.

(A. R. Vol IX—24.) (Files No 473-A & A. of 1920 and No. 62-Code of 1927.)

(7)

A. R. I., P. & A. R., Part II, paras. 587, 588 and 602.—The Government of India may, under paragraph 1043A, Army Regulations, India, Volume I, condone deficiencies in excess of the limits in paragraph 1043 B, where the resulting pension is not in excess of Rs 25.

Terms of Reference.—Sepoy A had a total service of 20 years and 38 days with the colours and in the reserve, which is 10 months and 27 days less than the 21 years' combined colour and reserve service entitling a reservist to a pension of Rs. 3 per month, under the orders in Government of India, Army Department, letter No. H.-2950, dated the 20th January 1915. Under paragraph 1045, scale F., Army Regulations, India, Volume I, he is entitled to a gratuity of 12 months' pay, but it is proposed to grant him a pension at Rs. 3 per month The question for decision is whether the Government of India can sanction the proposed pension in exercise of their powers under paragraph 1043-A, Army Regulations, India, Volume I. It has been urged that the proposal amounts in effect to the condonation of a deficiency of service in excess of the limit laid down in paragraph 1043-B, Army Regulations, India, Volume I.

Comptroller General's decision.—Paragraph 3 of Government of India, Finance Department, despatch No. 1-M. F., dated the 14th January 1909, reads as follows:—

"In the India Army Regulations there is no provision for the condonation of small deficiencies in service, either in the case of a man whose total service falls short of the period required to qualify for pension or in the case of a man whose service in any particular rank falls short of three years; we are therefore obliged to refer such cases to the Right Honourable the Secretary of State for India for orders except when the pension proposed does not exceed Rs. 10 a month."

The Secretary of State, therefore, must have inferred that the provisions of the rule, which modified now forms paragraph 1043-A, Army Regulations, India, Volume I, were being used to condone

small deficiencies of service when the pension was below the prescribed limit (now Rs. 25 per mensem).

I am of opinion, therefore, that the present case can be dealt with by the Government of India under paragraph 1043-A, Army Regulations, India, Volume I.

(A. R Vol. VIII—10) (Files No 183-A. & A. of 1919 and No. 61-Code of 1927.)

(8)

A. R. I., P. & A. R., Part II, para. 634.—Wound and family pension of Government servants of the Military Accounts Department who died on Field Service should be calculated on the higher rates of salary drawn at the time of death.

Terms of Reference.—The Government of India, in their Finance Department letter No. 304-Accts., dated the 23rd February 1915, sanctioned higher rates of pay to men of the Southern Army Division when on field service. Mr. L————, 3rd grade Accountant, and Mr. P————, 6th grade Clerk, of the Military Accounts Department, who died at Basra, while serving with the Indian Expeditionary Force, from disease contracted on Field Service, were in receipt of this extra pay. The question for decision is whether, in determining their family pensions, the extra pay may be included in the term 'salary' for the purposes of paragraph 1073, Army Regulations, India, Volume I, and Article 730, Civil Service Regulations.

Comptroller General's decision.—The pensions are, under rule, to be calculated on 'salary,' that is on the salary admissible at the time of death. The pensions may, therefore, be calculated on the higher rates of salary drawn on Field Service.

(A R Vol. III—18.) (Files No 602-A. & A. of 1915 and No. 56-Code of 1927.)

(9)

A. R. I., Vol. II, 1923, para. 48.—Charge pay is not admissible to an officer replacing a Royal Engineer officer of the Military Works Services cadre, employed on Field Service.

Terms of Reference.—The question for decision is whether "Charge pay" is admissible to an Officer replacing a Royal Engineer Officer of the Military Works Services Cadre who is employed on field service or is attached to the Sappers and Miners Companies to bring them up to war strength for special work, without a reference to the Secretary of State;—In other words whether these Officers could be viewed as "seconded" for the purpose of enabling the officer replacing them to draw "charge pay" during the period of employment of the replaced Officers on field service or attachment to the Sapper and Miners Companies.

Comptroller General's decision.—Paragraph 291, Army Regulations, India, Vol. II, 1911, specifies the occasions on which an Officer may be "seconded." Under this paragraph an Officer cannot be "seconded" when employed in either manner now under discussion and therefore the sanction of the Secretary of State is necessary. Some of the arguments which have been urged have no bearing on the question whether the sanction of the Secretary of State is necessary, though they may be used in urging the Secretary of State to accord sanction.

I may mention, however, that from paragraph 7 of the Government of India, Military Works despatch No. 329, dated 9th March 1905, it is clear that the reserve was intended to cover absence on field service, so that it was not contemplated then to treat such absentees as being "seconded."

(A. D. IV—42) (Files No 100-A & A. of 1913 and No 53-Code of 1927.)

(10)

***A. R. I., Vol. I, para. 350 & A. R. I., Vol. II., para. 254.**—The period spent by a Royal Engineer officer under instruction in England after his appointment to the Indian establishment does not count as service for leave.

Terms of Reference.—The question for consideration is, whether the period from 1st March 1906 to 16th May 1907, spent by Lieutenant Stallard, R. E., Assistant Agent, Eastern Bengal Railway, under instructions in England after his appointment to the Indian establishment from 1st March 1906, during which period he was paid from Indian revenues, can be treated as "Active Service" for the purpose of the Civil leave rules.

Comptroller General's decision.—The rules regarding the conditions of service of these Royal Engineer Officers after the abolition of the continuous service system are contained in the Government of India, Military Department Notification No. 4, dated 1st January 1904, and they were published under the orders of the Secretary of State in his despatch No. 126, Military, dated 8th October 1903. Under clause III (*b*) (1) (*i*) of these rules "Active Service" includes all active service in India as defined in the Civil Service Regulations, whether passed in Military or Civil employment. So far as leave is concerned "Active Service" as defined in the Civil Service Regulations does not include any period spent by an officer outside India. It appears, therefore, that this period does not count for leave.

It is clear, however, from the Secretary of State's Military despatch No. 191, dated 16th October 1908, that this period counts as service on the Indian establishment. Rule III (*b*) (1) (*i*) of the

* Paragraph 821 of the Army Regulations, India, Vol. II, 1923, is applicable now.

Military Department Notification No. 4, dated 1st January 1904, says that service on the British establishment cannot count for furlough under Civil rules. It cannot, however, be inferred from this that all service on the Indian establishment will count for furlough under Civil rules as it does under Military rules in the case of officers with less than 20 years' service for Indian pension.

Even if this period of instruction could be reckoned as time spent on duty out of India, it would not count as service for leave without the sanction of the Secretary of State.

Under existing rule such a period of instruction does not count as service for leave. If the Government of India, are of opinion that it should, the special sanction of the Secretary of State must be obtained.

[The Government of India in their Finance Department telegram No. 651-C. S. R., dated 20th June 1914, recommended to the Secretary of State that Lieutenant ———— may be allowed, as a special case, to take leave from the 13th July 1914, although he had not put in the requisite qualifying period of active service.

The Secretary of State in his telegram dated 2nd July 1914 accorded sanction to this proposal.]

(A D. IV—21) (Files No. 213-A & A of 1914 and No. 53-Code of 1927.)

(11)

A. R. I., M. E. S. Regulations, para. 12 (*g*) & C. S. R., Art. 86.—A Government servant may be appointed on increased pay to officiate in the place of a Roy
been granted leave to qualify for milit
ing the provision that such leave is
respects

Terms of Reference.—The question for decision is, whether the sanction of the Secretary of State is necessary to the grant of acting allowances to an Officer appointed to officiate in place of a Royal Engineer Officer granted leave to qualify for military promotion, which leave, according to the Secretary of State's Military despatch No. 16, dated 30th January 1873, is to be considered as service in all respects.

Comptroller General's decision.—This rule is inserted in the Army Regulations, India, as Paragraph 256 of Volume II and there the definite proviso is added that the State may not be put to extra expense. In the Public Works Department Code, 9th Edition, it is inserted as Paragraph 518 of Volume I, and no proviso is to be found therein.

Under Article 86, Civil Service Regulations, an acting allowance is given to an Officer appointed to officiate in an appointment of which the holder is an absentee, and under Article 6, Civil

Service Regulations, an Officer absent from an appointment on leave is an absentee. There is no doubt, then, that acting allowance is permissible unless the order of the Secretary of State that such leave is to be considered as service in all respects must be interpreted to mean that the Officer while on such leave is not absent from his appointment.

This involves a straining of the ordinary use of words, which would not be justifiable unless the order can not be interpreted in any other way. In this case I do not think it is necessary. The Government of India and the Secretary of State were clearly safeguarding the interests of the Officer proceeding on leave, they were not considering the consequences on other Officers. Moreover, a deputation counts as service in all respects, and yet an Officer on deputation is an absentee from his own appointment.

I am of opinion, then, that the sanction of the Secretary of State is not necessary.

(A. D. IV—41.) (Files No. 215-A. & A. of 1914 and No. 53-Code of 1927.)

SECTION VII.—AUDIT RULINGS RELATING TO MISCELLANEOUS QUESTIONS AFFECTING CONDITIONS OF SERVICE OF GOVERNMENT SERVANTS.

Schedule of Powers of Ry. Board—Item 274.—Sanction of the Secretary of State is necessary to the grant from Railway revenues of a gratuity or bonus to the family of a deceased Government servant who was employed on a Railway on foreign service conditions.

(*See* Section V, ruling 36, relating to Article 924, Civil Service Regulations.)

(Files No. 502-A & A of 1920 and No. 62-Code of 1927.)

(1)

Reserved Posts.—Where the Secretary of State had sanctioned a certain rate of pay for a post on the understanding that it would be held by a Chartered Accountant, the appointment of an officer not possessing this qualification requires the sanction of the Secretary of State

Terms of Reference.—In their telegram to the Secretary of State, dated 23rd January 1914, the Government of India asked for sanction to the creation of two posts of Registrars of Joint Stock Companies for Calcutta and Bombay on a pay of Rs 800—50—1,200 a month, and in the telegram it was stated that the qualifications required for the appointments were those of Chartered Accountants. In his telegram, dated 5th February 1914, the Secretary of State sanctioned the proposal of the Government of India. The Government of Bombay have appointed temporarily to the post sanctioned for the Presidency an officer who is not a Chartered Accountant, and the Accountant General, Bombay, has held that under Article 63, Civil Service Regulations, Mr. D——— may draw two-thirds of the pay of the Post, and that the grant of a higher pay requires the sanction of the Secretary of State.

Comptroller General's decision.—It is true that Article 63, Civil Service Regulations, has no direct application to the present case, for the office is not one usually filled by a member of the Indian Civil Service, or of the Staff Corps, or by nomination in England, or otherwise with the specific approval of the Secretary of State. At the same time I consider that the Accountant General is correct in his contention that it was definitely stated in the telegram issued by the Government of India to the Secretary of State that the qualifications required were those of Chartered Accountants, that Chartered Accountants command large fees and that it was possibly on this understanding that the Secretary of

State sanctioned the rate of pay proposed. The Government of India distinctly led the Secretary of State to believe that the officer appointed to fill the post will be a Chartered Accountant. I am of opinion then that the appointment of an officer not possessing such qualifications requires the sanction of the Secretary of State

(A D IV—27) (Files No 284-A. & A. of 1914 and No. 53-Code of 1927.)

(2)

Miscellaneous.—The treatment of a Military officer in civil employ as on furlough in the Civil Department while temporarily re-employed under the Army Department would be incorrect in principle

Terms of Reference.—It is proposed to treat Colonel H.—— ——, a Military officer in permanent Civil employ and subject to Civil leave rules, as on furlough in the Civil Department during the period of his employment as Commandant of a prisoners of war camp, and to allow him to draw during such period his Civil furlough allowance in addition to the Indian Army pay of his rank and staff pay The total remuneration proposed for the officer is less than that to which he would be entitled if he were treated as being lent for Military duty. The question for decision is whether this is admissible.

Comptroller General's decision.—It would not be correct in principle to treat an officer, who is to continue on duty in India, as on furlough The proper course in the present case is to treat Colonel H.————, as lent to the Army Department for Military employ. There can of course be no objection from an audit point of view to restricting him to a salary less in amount than that admissible under the rules regulating the remuneration of Military officers in civil employ who return to temporary Military service during the War. This will not require the sanction of the Secretary of State

(A R Vol IV—28) (Files No. 440-A. & A. of 1916 and No 57-Code of 1927.)

(3)

Miscellaneous.—The disregard of promotions and reversions for periods not exceeding 14 days in certain Departments requires the sanction of the Secretary of State.

Terms of Reference.—Mr. J.——————, Deputy Superintendent, Traffic, 1st class, was appointed to officiate in the Second Division of the Superior Traffic Branch from the 16th April 1916 to the 16th June 1916, and again for three months from the 22nd June 1916. He continued to officiate during the interval between the 16th and 22nd June 1916, in accordance with the practice under

which no promotions to substantive *pro tempore*, temporary, or officiating rank, and no reversions from such rank, are made for periods not exceeding 14 days. Messrs. I. M. D'C.——, and H. P.——, were appointed to officiate as Deputy Superintendent, 1st class, and Deputy Superintendent, 2nd class, respectively, from the 17th June 1916, in the place of Mr. J————. The Accountant General, Posts and Telegraphs, has held, with reference to paragraph 36 of the Telegraph Manual, Volume I, that, for the period from the 17th June to the 21st June 1916, during which Mr. J———— was supernumerary in the Superior Traffic Branch, officiating promotions were not admissible in the Deputy Superintendent's grade The question for decision is whether it is within the competence of the Government of India to allow the officiating promotions in question.

Comptroller General's decision.—It appears from the papers before me that the practice of overlooking promotions to substantive *pro tempore*, temporary, and officiating rank, and reversions from such rank, for periods not exceeding 14 days, was first adopted by the Public Works Department in 1890 in regard to Executive and Assistant Engineer promotions in the Railway Branch, and was subsequently extended to Chief and Superintending Engineer promotions. In 1899, the practice was further extended to the Telegraph Department, sanction being accorded on the ground that, on the average, an excess over scale was not involved. As, however. excesses over scale in particular cases are involved, this argument does not hold good from the audit point of view. In the orders issued nothing was said as to the particular appointments in the Telegraph Department to which they should apply. In 1912, the practice was introduced in the Post Office, it being laid down that it should apply to all Chief Officers, Superintendents of Post Offices and Railway Mail Service, and Post Masters on pay exceeding Rs 200 a month. As regards the rule in the Telegraph Manual, this Manual has not apparently been recognised as an authorised Code. The Note to paragraph 36 of the Manual confines the rule to gazetted officers. It was apparently inserted without due authority and without any special reference to existing orders, but merely reproduces the past practice. No ruling can, therefore, be based on the wording of this Note. In the circumstances, it appears to me that it is necessary that the Government of India should, if they wish the practice to continue, define exactly to what officers in the several departments it should be applied and obtain the sanction of the Secretary of State. As regards the particular officers referred to, the Government of India can, if they so desire, sanction the acting allowances under the general powers possessed by them, as the remuneration in each case will be less than Rs. 800 a month.

(A. R. Vol V—31.) (Files No 41-A. & A. of 1917 and No 53-Code of 1927.)

(4)

Miscellaneous.—" Already employed ".—A sanction of the Secretary of State to the grant of an allowance for the loss of fees for private work, to officers " already employed ", should be taken to refer only to officers permanently employed.

Terms of Reference.—In their despatch No. 107, dated the 9th May 1912, the Government of India made certain proposals with a view to putting an end to the practice under which the Assay Master and his staff retained the fees realised for the private assay work carried out at the Bombay Mint, after deducting 4 per cent. for the use of Government materials. In order to compensate the officers " already employed, " in the assay branch, certain allowances were to be given to them, these allowances being based on the average receipts for private assay work during the preceding five years. The proposals were sanctioned by the Secretary of State in his despatch No. 93-Finl., dated the 2nd August 1912. It is clear from the papers that the intention was that only such officers as were at the time permanently employed in the assay branch should be granted the compensatory allowances Major W——— was at the time only officiating in the Assay Department. The question for decision is whether Major W—— may be permitted to draw a compensatory allowance without a reference to the Secretary of State, in view of the fact that it would be admissible on a literal reading of the despatches to and from the Secretary of State.

Comptroller General's decision.—It is not correct in principle to read a rule or order in which there may be ambiguity, without reference to past discussions which show its intention, or to give an interpretation which may literally be correct, but which is not in accordance with the intention. I consider, therefore, that a reference to the Secretary of State is necessary in this case.

(A R Vol V—35) (Files No. 100-A & A. of 1917 and No. 58-Code of 1927.)

(5)

Miscellaneous.—Fixation of pay in Reserved posts.—Sanction of the Secretary of State is necessary for fixing the pay of a person who is not a member of the Indian Medical Service while officiating in a post reserved for the Indian Medical Service.

Terms of Reference.—It is proposed to grant to Dr. Q——— an allowance of Rs. 200 a month for the period (from the 14th September to the 24th October 1916) during which he performed the duties of the Professor of Surgery at the King George's Medical College, Lucknow, in addition to his duties as Chief Plague Officer, United Provinces. Dr. Q———, is a provincial Civil Surgeon on Rs. 520 in the scale of Rs. 400—40—600. and was allowed a pay

of Rs. 700 while performing the duties of Chief Plague Officer. The proposed allowance of Rs. 200 a month is calculated under articles 168 and 39, Rule 3, of the Civil Service Regulations. The question for decision is whether the Government of India have the power to sanction the allowance.

Comptroller General's decision.—The appointment of Professor of Surgery is reserved for Indian Medical Service officers and there is no "Pay of the office" on which the allowance of Dr. Q——, who is not a member of that service, can be calculated. Rule 3 under article 39, Civil Service Regulations, does not apply to the case of an outsider, appointed to hold charge of a reserved appointment. In the circumstances, a reference to the Secretary of State is necessary.

(A. R. Vol. VI—33.) (Files No 228-A. & A. of 1917 and No. 59-Code of 1927.)

(6)

Miscellaneous.—"Reserved posts."—The appointment to a post reserved for members of particular services of a person who is not a member of that service, and the fixation of his pay therein, require the sanction of the Secretary of State.

Terms of Reference.—Mr. N————, I.C.S., Assistant Collector, was appointed to officiate as Director of Surveys, Bengal, from 5th December 1915 to some date prior to 14th June 1917 and Mr. C.————, Extra Assistant Superintendent, Survey of India, and officer in charge of the Bengal Traverse Survey Party, has subsequently been appointed to officiate in the same appointment. The post of the Director of Surveys, Bengal, carries no sanctioned rate of pay, the pay of the permanent incumbent being personal. It is proposed to grant the two officers a consolidated rate of pay of Rs. 1,000 a month for the periods they officiated as Director of Surveys, Bengal, by fixing the pay of the appointment according to the general orders conveyed in Secretary of State's despatch No. 29-Finl., dated the 8th June 1917 (received in India on the 9th July 1917). The question for decision is whether the arrangements made were in order and whether the Government of India are competent to sanction the proposed remuneration.

Comptroller General's decision.—I am of opinion that a reference to the Secretary of State is necessary. The appointment of the Director of Surveys, Bengal, is reserved for Imperial officers of the Survey of India (*vide* paragraph 3 of Government of India despatch No. 301, dated the 15th October 1908), while the acting appointment is held in one case by a *provincial* officer of the Survey of India and in the other case by a member of the I. C. S. The orders in the Secretary of State's despatch No. 29-Finl., dated the 8th June 1917, cannot be taken as sufficient authority in these cases, firstly because the appointments were made before the receipt of those orders and secondly because there was no intention in the

Government of India despatch No. 80, dated the 13th April 1917, to which the Secretary of State's despatch above referred to was a reply, to do away with the principle that the appointment of an outsider to a "reserved" post requires the sanction of the Secretary of State.

(A. R. Vol. VI—29.) (Files No. 506-A. & A. of 1917 and No. 59-Code of 1927.)

(7)

Miscellaneous.—N. A. R. (Central).—The power to sanction contract allowances for the performance of treasury work in Post Offices, should be regulated by the ordinary rules regarding creation and abolition of posts.

Terms of Reference.—It is proposed to invest the Director General, Posts and Telegraphs, with general authority to introduce a contract system for the performance of treasury work in Post Offices, whenever this is considered desirable, subject to the condition that the allowance paid under a single contract does not exceed Rs. 1,000 a month.

Comptroller General's decision.—Although the appointment made in respect of treasury work takes the form of a contract, it should, in my opinion, be regulated by the ordinary rules regarding the creation and abolition of appointments.

(A. R. Vol. VI—30.) (Files No. 531-A. & A. of 1917 and No. 59-Code of 1927.)

(8)

Miscellaneous.—Reserved posts.—Officiating appointment of a person who is not an officer of the Royal Indian Marine in a post reserved for officers of the Royal Indian Marine requires the sanction of the Secretary of State.

Terms of Reference.—I.—Mr. S. H. R.———, a member of the Bengal Pilot Service, who is ordinarily remunerated by a percentage on pilotage fees, has been appointed to officiate as Assistant Port Officer, and Deputy Shipping Master, Calcutta, a post reserved for officers of the Royal Indian Marine, on a grade pay of Rs. 700 a month *plus* a local allowance of Rs. 250 a month. II.—Mr. C. H. S———, Assistant Shipping Master, was appointed to be in charge of the current duties of the Assistant Port Officer and Deputy Shipping Master in addition to his own duties from the 18th November to the 31st December 1915 and it is proposed to grant him a charge allowance of Rs. 200 a month for the period. The question for decision is whether the sanction of the Secretary of State is necessary to the above arrangements.

Comptroller General's decision.—Under the orders in the Secretary of State's despatch No. 113-Mily., dated the 19th October 1899, the post of Assistant Port Officer and Deputy Shipping Master, Calcutta, is reserved for officers of the Royal Indian Marine

and the appointment of Mr. R.———— to officiate therein requires a reference to the Secretary of State. The sanction of that authority is also necessary to the appointment of Mr. S.———— to hold charge of the above post; for, in my opinion, the appointment of an officer to hold charge of a "reserved" post should be treated as equivalent to an officiating appointment for the purpose of the rules regulating promotions to "reserved" posts.

(A. R. Vol. VI—55) (Files No. 606-A. & A. of 1917 and No. 59-Code of 1927.)

(9)

Miscellaneous.—Gratuities.—Non-pensionable Accounts officers on the Railway Branch are eligible for the retiring gratuity admissible to Gazetted officers on Railways.

Terms of Reference.—The question for consideration is whether the officers of the General List and Assistant Accounts Officers of the Indian Finance Department employed in the railway account offices whose service is permanent but non-pensionable and who are allowed to contribute to the Railway Provident Fund are eligible for the grant of the retiring gratuity admissible to the Gazetted Officers of the Indian Railways under rule (12) of the Railway Department Resolution No. 400-F.-16, dated the 13th October 1917, without a reference to the Secretary of State.

Comptroller General's decision.—It has been held already that the concession in respect of these gratuities is admissible in the case of the subordinate accounts staff of the State-worked Railways —(*vide* Government of India, Finance Department letter No. 796-F. E., dated the 21st October 1912). The case of Assistant Accounts Officers is exactly similar, as they are wholly employed on Railways. The conditions of service in the case of officers of the General List are different, in that such officers are liable for transfer to non-railway departments. Non-railway service, however, does not entail forfeiture of the benefit of previous railway service for the purpose of this gratuity, though it does not count as a part of continuous service qualifying for it [*vide* paragraphs 1 (*ii*) and 2 (*ii*) of the Railway Board's circular letter No. 2721-R. E., dated the 11th September 1912].

Non-pensionable accounts officers on the railway branch are therefore eligible for the retiring gratuity and a reference to the Secretary of State is not necessary.

(A. R. Vol. VI—4) (Files No. 81-Est. of 1918 and No. 59-Code of 1927.)

(10)

Miscellaneous Passages.—The grant of a free passage to England to the widow of a civil officer who retired and was re-employed as a temporary Engineer would require the Secretary of

State's sanction as the case was not governed by any existing orders.

Terms of Reference.—Mr. W.———, a retired Chief Engineer, Central Provinces, was employed in the British East Africa, and was re-employed by the Government of the United Provinces at the beginning of the year 1916 as a temporary Engineer and placed on special duty. The officer paid his and his wife's passages to India and was granted travelling allowances for himself only from Bombay to Allahabad, under the provisions of Articles 1084 and 1008, Civil Service Regulations. His services were subsequently lent to the Tehri State, and while working there he died on the 22nd January 1919. After his death his wife applied for the grant of a free passage to England, basing her claim on a press *Communiqué* issued on receipt of the Secretary of State's telegram dated the 1st January 1919 in reply to Government of India, Army Department despatch No. 76, dated the 18th October 1918, which, [illegible] military officers [illegible] re-employment [illegible] ier the grant of the concession required the sanction of the Secretary of State.

Comptroller General's decision.—As the case is not governed by any existing orders, sanction of the Secretary of State is necessary. But in view of—

(1) the fact that Mr. W——— might have been given the fare from East Africa to India;

(2) Mrs. W———'s statement that her husband, by accepting employment in India, forfeited a free passage to England;

(3) the argument urged by the Hon'ble the Home Member that there is little reason to differentiate between retired military and civil officers in this respect; and

(4) medical reasons for Mrs. W.———'s leaving the country at an early date.

I am prepared to waive a previous reference to that authority.

(A. R. Vol. VIII—36) (Files No. 243-A. & A. of 1919 and No. 61-Code of 1927.)

(11)

Miscellaneous.—Privileges in respect of admission to Government service in the Civil Department, which were sanctioned by the Secretary of State to candidates who served in the Great War, might be extended without further sanction to candidates who served in the Afghan War.

Terms of Reference.—The Government of India in their Home Department telegram No. 1258, dated the 10th October 1918, asked for the Secretary of State's permission to announce certain

concessions to candidates for admission to Government Service because of their previous service in connection with the Great European War.

The Secretary of State in his telegram, dated the 5th December 1918, accorded his general approval to the proposed announcement. The question for consideration is whether the extension of the scope of these orders to candidates further detained in the Military Department owing to the Afghan War requires the sanction of the Secretary of State.

Comptroller General's decision.—It is unnecessary in my opinion to obtain the previous sanction of the Secretary of State to the inclusion of service in connection with the Afghan War in the concession but it will be sufficient if this extension of the scope of the orders is reported to him.

(A. R. Vol. VIII—42.) (Files No. 416-A. & A. of 1919 and No. 61-Code of 1927.)

(12)

Miscellaneous.—Though the Boiler Inspection Act provided that the Chief Commissioner, Central Provinces, might make rules *for settling the emoluments of Inspectors under the Act,* the payment of fees so as to exceed the powers of sanction of the Chief Commissioner would be *ultra vires.*

Terms of Reference.—It is proposed to make a rule under Section 25 of the Central Provinces Boiler Inspection Act, II of 1907 (as amended by Act IV of 1919) so as to provide for the payment to the Inspector of the additional fee levied under the Act for inspecting a boiler on a Sunday or a gazetted holiday. Under the proposal, there is the possibility of the remuneration of one of the inspectors exceeding Rs. 800 a month, and the question for decision is whether the sanction of the Secretary of State is necessary under Rule III (3) (*b*) of the Main Audit Resolution.

Comptroller General's decision.—This case should be decided in accordance with the principles laid down in Government of India, Education Department, letter No. 146, dated the 24th August 1914; Section 25 (1) (*a*) of Act II of 1907 states " the Chief Commissioner may make rules . . . .(*a*) for settling the . . . emoluments of Inspectors appointed under this Act". Now if the Act had stated that an Inspector shall receive any fee paid for inspecting a boiler on Sunday, that provision in the Act would be obligatory and no sanction of the Secretary of State would be required before the Inspector could accept such fees even though they raise his emoluments in excess of Rs. 800 per mensem. As, however, the Act merely states that the Chief Commissioner may make rules, I am of opinion that in framing such rules he must be subject to the limitations of his powers of incurring expenditure, which have been imposed by the Secretary of State.

(A. R. Vol. VIII—62.) (Files No. 602-A. & A. of 1919 and No. 61-Code of 1927.)

(13)

Miscellaneous.—Local Governments may declare heavy Sub-divisional charges to be "of no less importance than a Divisional charge" and may allow the incumbents to draw senior scale pay.

Terms of Reference.—The question for consideration is whether Local Governments may be allowed under their ordinary powers to create temporary posts on the senior scale of the Engineer Establishment in order to permit officers holding charges of Sub-Divisions which are considered by the Local Governments to be of not less importance than a divisional charge, to draw pay on the senior scale (*vide* paragraph 4 of the Public Works Department Resolution No. 558-E. A., dated the 22nd October 1919), and whether this proposal will require the sanction of the Secretary of State.

Auditor General's decision.—The proposal does not require the sanction of the Secretary of State.

(A. R. Vol. IX—22.) (Files No. 33-A. & A. of 1920 and No. 62-Code of 1927.)

(14)

Miscellaneous.—Reserved posts.—The sanction of the Secretary of State is required, both to the appointment of a retired officer of the Royal Army Medical Corps to a post reserved for members of the Indian Medical Service, and to the payment to him of a sum in pay and pension, in excess of his pay at the time of retirement.

Terms of Reference.—Lieutenant-Colonel R. E. M———, a retired officer of the Royal Army Medical Corps, has been appointed by the Government of India to officiate as an Agency Surgeon and posted as Residency Surgeon ———, with effect from 1st March 1920. It is proposed to grant the officers in addition to his pension, the pay of rank of a Lieutenant-Colonel of the Indian Medical Service *plus* the local allowance of Rs. 200 attached to the appointment of Residency Surgeon———. The question for decision is whether the sanction of the Secretary of State is necessary.

Auditor General's decision.—I am of opinion that the sanction of the Secretary of State is required because—

(1) it is proposed to give Colonel M——— as pay (in addition to his pension), more than his pay previous to retirement; and

(2) the Secretary of State has not yet sanctioned the proposal that the Government of India should continue to exercise their powers of appointing outsiders to the end of 1921.

(A. R. Vol. IX—31.) (Files No. 400-A & A. of 1920 and No 62-Code of 1927.)

(15)

Miscellaneous.—Marine Regulations.—The grant of a higher rate of salary than is admissible under the Marine Regulations to the Surveyor-in-Charge, Marine Survey of India, officiating as Director, Royal Indian Marine, requires the sanction of the Secretary of State.

Terms of Reference.—Captain E. J. H.————, Surveyor-in-Charge, Marine Survey of India, was appointed to officiate as Deputy Director, Royal Indian Marine, and while so officiating was appointed to act as Director, Royal Indian Marine. The Government of India has decided that the officer while officiating as Director should be allowed grade pay *plus* $\frac{1}{5}$ of the pay of Director *plus* Survey allowance of Rs. 20 per diem (the allowance attached to his permanent appointment) and has issued orders accordingly. The question for decision is whether the orders require the confirmation of the Secretary of State.

Auditor General's decision.—Paragraph 79 of the Marine Regulations, Volume I, applies only to Deputy Director, Royal Indian Marine, when acting as Director and so is not applicable to the present case which must be regulated by paragraph 82. As a higher rate of salary has been granted to Captain H————, the sanction of the Secretary of State is necessary. As Captain H—— is no longer doing surveyor's work the survey allowance is obviously not admissible under the rules.

(A. R. Vol. IX—39.) (Files No. 644-A. & A. of 1920 and No. 62-Code of 1927.)

(16)

Miscellaneous.—Pay of Asstt. P. S. V.—An Assistant Private Secretary to His Excellency the Viceroy may be allowed to draw either a pay of Rs. 800—40—1,200 or the Political Department scale of pay.

Terms of Reference.—The pay of the post of Assistant Private Secretary to His Excellency the Viceroy is Rs. 800—40—1,200 per mensem. In the Secretary of State's Despatch No. 16-Public, dated the 15th January 1920, it was decided that an officer of the Indian Civil Service appointed to the post may be permitted in lieu of the above rate, to draw pay according to the time-scale sanctioned for the Political Department of the Government of India, subject to the condition that his maximum salary shall not exceed Rs. 1,250 a month. The question for consideration is whether the Government of India can allow Mr.————, a member of the Indian Civil Service, the present incumbent of the post, to draw pay at the rate of Rs. 800—40—1,200 a month, without a reference to the Secretary of State.

Auditor General's decision.—The actual wording of the Secretary of State's Despatch No. 16-Public, dated the 15th January 1920, is "An officer of the Indian Civil Service appointed to be Assistant Private Secretary to His Excellency the Viceroy may be permitted, in lieu of the pay attached to the appointment to draw pay according to the time-scale sanctioned for the Political Department of the Government of India, subject to the condition that his maximum salary shall not exceed Rs 1,250 a month." This obviously gives the Government of India power to permit such an officer to draw either of these two alternative rates of pay.

(A. R. Vol. X—32.) (Files No 36-Audit of 1921 and No. 63-Code of 1927.)

(17)

Miscellaneous.—Para. 2 of P. W. Circular No. 1-P. W., dated 29th March 1921.—The temporary appointment of *an Architect by a competent authority is not governed by the restriction* on the appointment of Specialist Public Works Officers.

Terms of Reference.—It was proposed to create a temporary appointment of Architect in connection with the construction of the Imperial Capital, Delhi, on a pay of Rs. 2,500 per mensem for a period of less than two years. The question referred to the Auditor General was whether the sanction of the Secretary of State was necessary in accordance with paragraph 2 of the Public Works Department Circular No. 1-P. W., dated the 29th March 1921.

Auditor General's decision.—Paragraph 2 of the Public Works Department Circular No. 1-P. W., dated the 29th March 1921. does not preclude the Government of India or other competent financial authority from creating a temporary appointment of Architect, within the limits of their financial powers. Such a temporary appointment will not be considered to belong to the Specialist services referred to in the Public Works Department Circular.

(A. R. Vol. XI—15) (File, No. 99-A. of 1922 and No. 64-Code of 1927.)

(18)

Miscellaneous & F. R. 31 read with 9 (*24*) & 9 (*21*) (*a*) (*ii*).—Overseas pay is inadmissible to a European subordinate while officiating in a qualifying post.

Terms of Reference.—Mr. R————, an officer of a subordinate service of non-Asiatic domicile, was appointed to officiate as a Collector of Customs. The question for decision is whether Mr. R.————is entitled to draw overseas pay under Fundamental Rule 31, read with Fundamental Rules 9 (*24*) and 9 (*21*) (*a*) (*ii*)

Auditor General's decision.—In the correspondence with the Secretary of State on the principles governing the grant of overseas pay, *vide* paragraph 4 of Government of India, Finance Depart-

ment Despatch No. 21, dated the 30th November 1922, the Government of India speaking of an officer promoted to an Imperial Service said " If, therefore, he has a non-Asiatic domicile,——— we consider that he ought to be entitled to overseas pay from the date on which he becomes a *full member* of the service ". This proposal was accepted by the Secretary of State and although the Government of India did not explain what they meant by the phrase " a full member " yet it is reasonable to assume that the Secretary of State interpreted this as meaning " when they are substantively appointed to the post carrying such pay ".

The proposal to grant Mr. R ——— overseas pay while officiating in the Customs Department will require, therefore, the sanction of the Secretary of State in Council.

(A. R. Vol. XII—14) (Files No. 424-A. of 1923 and No. 65-Code of 1927.)

(19)

Mutiny Pension.—A Mutiny pension may be granted although the recipient is drawing another pension from Government.

Terms of Reference.—Mr. M———is a Government pensioner in receipt of a civil service pension of Rs. 50 to whom it is proposed to grant a compassionate allowance of Rs. 30 per mensem in recognition of the services rendered by his father, a Mutiny Veteran, during the Mutiny.

The question for consideration is whether the Secretary of State's sanction is necessary because Mr. M ——— being already in receipt of a civil pension of Rs. 50 per mensem, the grant of a Mutiny pension of Rs. 30 would bring the total of his pension to Rs. 80 per mensem, *i.e.*, Rs. 20 over the maximum Mutiny award that can be granted by the Government of India under the India Office letter No. F.-1717-23, dated the 26th April 1923. It is also for consideration whether the power given to the Government of India in the abovementioned letter can be exercised in respect of persons who are, or were Government Officials.

Auditor General's decision.—In the India Office letter, dated the 14th December 1922, the Government of India are empowered to make awards to necessitous dependants subject to the grant or *grants not exceeding Rs. 60 per mensem, in any case. No other* restrictions are mentioned. I am of opinion, that Mutiny pensions and awards stand quite apart from all other Government payments, and can be sanctioned without regard to other pensions, which are being paid. The only consideration is whether the pensioner can fairly be held to be in necessitous circumstances. If this condition is fulfilled the proposed pension can be sanctioned by the Government of India.

(A. R. Vol. XIII—1) (Files No. 138-A. of 1924 and No. 60-Code of 1927.)

(20)

Miscellaneous.—Passage Advance Rules.—European domicile is one of the fundamental conditions subject to which the *Secretary of State sanctioned the scheme of passage advances and* any exception to it requires his sanction.

Terms of Reference.—Rules regulating the grant of advances to pay for passages overseas apply, *vide* rule 2, to Gazetted Government servants of non-Asiatic domicile holding substantively a permanent post *in any of the Civil Departments. The question for decision* is whether the Government of India can sanction the grant of an advance on their own authority to an officer of asiatic domicile.

Auditor General's decision.—It is true that in cases of advances the sanction of the Government of India is always sufficient under the Central Audit Resolution. The Secretary of State, however, under the Act has complete powers of superintendence, direction and control except to the extent that he divests himself of those powers and responsibilities under the Act. Important questions therefore may often have to be referred to him for administrative rather than for financial reasons and these rules for passage fund advances were drafted as the direct outcome of considerable correspondence with the Secretary of State. The proposal emanated with Government of India—*see* paragraph 5 of the telegram P. No. 377, dated the 2nd May 1922—and the Secretary of State in his telegram No. 2982, dated the 3rd August 1922 authorised the adoption of the system of advances without interest recommended in that paragraph. The system of advances recommended in that paragraph contemplated advances " to officers of Imperial Services of European domicile ". Thus, domicile was one of the fundamental conditions of the general scheme which was recommended to and accepted by the Secretary of State. Thus even though under the Audit Resolution there was no need on financial grounds to obtain the sanction of the Secretary of State to this scheme yet it will no doubt be agreed that there were administrative reasons which rendered it *necessary to consult* the Secretary of State and to obtain his orders. In fact the scheme was sanctioned by the Secretary of State and *none of the fundamental conditions of the scheme outlined in paragraph* 5 of the telegram dated the 2nd May 1922 can be altered without his sanction. Sanction of the Secretary of State is therefore necessary to the grant of a passage advance to the officer in question.

(A. R. Vol. XIII—5.) (Files No 304-A. of 1924 and No. 66-Code of 1927.)

(21)

Mutiny Pension.—Mutiny pensions are admissible *to Government servants.*

Terms of Reference.—Mrs. P———— is employed in the service of Government and is drawing a pay of Rs. 66 per mensem. She is in very straitened circumstances and it is proposed to grant her a compassionate allowance of Rs. 45 per mensem in recognition of the services rendered by her father, a Mutiny veteran, during the Mutiny. The question for decision is whether the Government of India are competent to exercise the powers, delegated to them in the India Office letter No. F-1717-23, dated the 26th April 1923, of sanctioning to necessitous dependants of Mutiny veterans mutiny pensions not exceeding Rs. 60 per mensem in any one case, in the case of Mrs. P ———— who is in Government employ.

Auditor General's decision.—Mutiny pensions and awards stand quite apart from all other Government payments and can be sanctioned without regard to them, provided the Government of India are satisfied that the dependant of the Mutiny veteran is in necessitous circumstance. The sanction of the Secretary of State is therefore not necessary in this case.

(A. R. Vol. XIII—12) (Files No. 142-A. of 1925 and No 66-Code of 1927.)

SECTION VIII.—AUDIT RULINGS RELATING TO REMISSION OF LAND REVENUE.

(1)

Remission of Land Revenue.—The sanction of the Secretary of State is not required for the re-grant of service *Inams*, resumed on alienation, to a person or Committee able to perform the prescribed services.

Terms of Reference.—The question for decision is whether a proposal to authorise the Chief Commissioner, Central Provinces, to sanction re-grants of Service *Inams*, resumed on alienation, to a person or committee able to perform the prescribed services, requires the sanction of the Secretary of State.

Comptroller General's decision.—The proposal in question does not involve any alteration in the purpose or value of the grants. Its effect is merely to empower the Local Administration to change the grantee when necessary in order to secure a proper performance of the service for which the grant has been sanctioned. In the circumstances, I am of opinion that a reference to the Secretary of State is not necessary in this case.

(A. R. Vol II—33.) (Files No. 420-A. & A. of 1915 and No 55-Code of 1927.)

(2)

Remission of Land Revenue.—An assignment of rent-free land to a private person at its full value does not require Secretary of State's sanction.

Terms of Reference.—The village of Timarpur was acquired for the new Capital at Delhi. The proprietors of the village held the land revenue free, and the compensation payable has been assessed at the round of Rs. 4,000. For sentimental reasons it is proposed to compensate [illegible]
enable them to retai[illegible]
land for them with a [illegible]
and utilising the remainder (Rs. 2,000) in obtaining commutation of land revenue on the land so purchased. The question for decision is whether a reference to the Secretary of State is necessary, in view of the orders in his despatch No. 44-Financial, dated the 15th April 1910.

Comptroller General's decision.—I do not consider that a reference to the Secretary of State is necessary in this case. In paragraph 4 of his despatch No. 44-Financial, dated the 15th April 1910, the Secretary of State said that " the greatest caution should be observed in parting with State property to private individuals

otherwise than at full value, and that free grants of land revenue should only be permitted under very exceptional circumstances of political expediency". I understand that in the present case the land is to be parted with at full value and the grant of land revenue is not to be free, but full value for that is also to be recovered.

(A. R Vol IV—2.) (Files No. 175-A. & A. of 1916 and No. 57-Code of 1927.)

(3)

Remissions of Land Revenue.—Assignments and remissions of land revenue, granted to officials and ex-officials, should be treated as special pensions and would thus require the sanction of the Secretary of State.

Terms of Reference.—The Government of the United Provinces had submitted proposals for the grant of assignments of land revenue not exceeding Rs. 1,000 annually in any one case to landholders, as a reward for assisting Government in connection with the war and specially in obtaining recruits for combatant units. The grant was to be for the life of the grantee only and would be subject to continued loyalty and good behaviour, and the aggregate of new grants was not to exceed Rs. 20,000 in any financial year. With slight modifications, the Government of India have sanctioned the proposals in so far as they relate to non-officials. The question now for decision is whether the benefits of the scheme can be extended to *ex*-officials who are landholders, without a reference to the Secretary of State.

Comptroller General's decision.—Rule III (9A) (*b*) of the Audit Resolution is applicable to assignments of land revenue granted to officials for services rendered while in Government employ. Such assignments are to be regarded as additions to ordinary service [illegible] limitations applicable [illegible] is reproduced in an [illegible]icial Audit Resolution. [illegible]m the correspondence quoted below on which the rule is based.

Paragraphs 5 and 6 of Secretary of State's despatch No. 45-Finl., dated the 26th April 1912.

Paragraph 3 of Government of India, Finance Department despatch No. 22 of 1913.

Paragraph 4 of Secretary of State's despatch No. 75-Finl., dated the 23rd May 1913.

Paragraph 2 of Revenue and Agriculture Department office memorandum No. 20, dated the 23rd September 1913.

Rule III (9A) (*b*) is therefore not applicable to the case, and on the analogy of Rule III (9A) (*c*) the sanction of the Secretary of State is required.

I may mention that what applies to assignments of land revenue applies equally to remissions of land revenue.

(A R Vol VI—56.) (Files No 480-A & A of 1917 and No 59-Code of 1927.)

(4)

Remission of Land Revenue.—The sanction of the Secretary of State would be necessary for the remission of land revenue to landholders with a view to stimulating recruiting in a province.

Terms of Reference.—In connection with a scheme for stimulating recruiting in the Bombay Presidency, it is proposed to grant, for the period of the war, remissions of land revenue to landholders and cash rewards to non-landholders, not exceeding Rs. 25 to any one individual and also not exceeding a certain aggregate annual limit. The classes of persons proposed to be rewarded under the scheme are, among other:—

(1) Village officers,—hereditary and stipendiary; and

(2) Persons who are serving in the present war as combatants, or have served during the war as such and have been discharged with a good character or had served in the Army before the war and were discharged with a good character.

The question for decision is whether the proposals are within the powers of sanction of the Government of India.

Comptroller General's decision.—For the purpose of deciding the points referred to me, these grants may be classified as follows:—

(1) Land revenue remissions to landholders who may be—

(*a*) Non-officials,

(*b*) Civil officers,

(*c*) Military and *ex*-military officers.

(2) Cash rewards to non-landholders who may be—

(*a*) Non-officials,

(*b*) Officials.

(1) (*a*) The sanction of the Secretary of State is not necessary under note 1 to Rule III (8) of the Audit Resolution

(1) (*b*) In accordance with the view expressed by Sir R——— on an analogous case (*vide* Section VIII, Ruling 3) Rule III (9-A) (*b*) of the Audit Resolution governs this case, if the Government of India consider that the services of such officers in connection with the recruiting are not unconnected with their official position, in which case the sanction of the Secretary of State is not required.

For the purpose of this opinion, the stipendiary village officials should be regarded as officers of Government, while the hereditary village officers, such as "patels" and some "kalkurnees" in the Bombay Presidency should be regarded as non-officials.

(1) (c) The sanction of the Secretary of State will be required if the grant of land revenue assignments under these proposals brings the total number of grants of land and of assignments of land revenue to Indian Army Officers in excess of 9 (Government of India, Military Department Resolution No. 867-B., dated the 27th February 1893, and paragraph 5 of Secretary of State's despatch No. 45-Finl., dated the 26th April 1912).

(2) (a) Cash rewards. The cash rewards proposed in the case of non-officials do not require the sanction of the Secretary of State under note 1 to Rule III (8) of the Audit Resolution.

(2) (b) *The cash rewards to Government officials can be regarded* as recurring honoraria, so that the proposals now under consideration will not require the sanction of the Secretary of State under note 1 to Rule III (5) of the Audit Resolution.

As a portion of the scheme, which should be regarded as a single scheme, for the purposes of sanction, may require the sanction of the Secretary of State, it seems desirable that the whole scheme should be submitted to him.

NOTE.—A case like this would now be governed by the orders in Secretary of State's Financial Despatch No. 30, dated 17th June 1926. √

(A R Vol VI—16.) (Files No 67-A. & A. of 1918 and No. 59-Code of 1927.)

(5)

Remission of Land Revenue and N. A. R. 1 (4).—The grant of remission of land revenue for ten years to the heir of a tenant who was recruited for combatant service and was killed in the War, should be regarded as a pension and requires Secretary of State's sanction.

Terms of Reference.—It is proposed to grant the following concessions to the tenants of Government Estates in Bihar and Orissa, who have enlisted or may enlist for combatant service abroad, in connection with the present war:—

(a) The remission of arrears of rents up to Rs. 50,

(b) The remission of current rents up to Rs. 15 a year during the period they are in service, and to the completion of the year in which service ends, and

(c) In the case of death, while in service, the remission of rent to continue to the next heir of the recruit for ten years after the death of the recruit.

The question for decision is whether the sanction of the Secretary of State is necessary.

Comptroller General's decision.—Sanction of the Secretary of State is not required to concessions (*a*) and (*b*); but concession (*c*), (*viz.*, the continuance of remission to heirs), must be treated as a pension granted to the heirs of a combatant, and therefore comes under Rule III (8) of the Main Audit Resolution, and sanction of the Secretary of State is necessary. If sanction of the Secretary of State is to be obtained, I suggest that the whole scheme be submitted to him.

(A. R. Vol. VII—19) (Files No. 524-A. & A. of 1918 and No 60-Code of 1927.)

(6)

Remission of Land Revenue.—The sanction of the Secretary of State is necessary to exemption from enhancement of land revenue with a view to encourage recruitment.

Terms of Reference—In connection with a scheme for stimulating recruiting in the United Provinces, it is proposed to grant the following concessions:—

(1) (*a*) Exemption of land-holders in districts under settlement in the Meerut Division who enlist, whether they proceed on active service or not, for their life-time, from enhancement of revenue.

(*b*) This concession to be extended to any zemindar whose heir-apparent enlists.

(*c*) When the heir-apparent succeeds to the estate, this concession to be continued for his life-time also.

(2) Exemption from enhancement of revenue, during the term of settlement, of non-official zemindars who give, or have in the past given, rental remissions to induce tenants to enlist, or to tenants who had or have already enlisted.

(3) Postponement, for the period of settlement, of the enhancement of the revenue demand in the case of non-official zemindars, who have rendered specially notable service in recruiting otherwise than by giving rental remissions.

The question for decision is whether a reference to the Secretary of State is necessary.

Comptroller General's decision.—The scheme contemplates in some cases remission of land revenue for more than one life. This requires the sanction of the Secretary of State Moreover, there

may be cases in which the remission may exceed Rs. 1,000 a year, and for this the sanction of the Secretary of State will be necessary. It is desirable, therefore, to explain the whole scheme to the Secretary of State.

(NOTE —The sanction of the Secretary of State is now necessary in a case of this kind under paragraph 6 of the Secretary of State's Financial Despatch No 30, dated 17th June 1926.)

(A R Vol. VII—20.) (Files No 573-A. & A. of 1918 and No. 60-Code of 1927.)

SECTION IX (a)—AUDIT RULINGS RELATING TO THE CIVIL ACCOUNT CODE.

C. A. C., Vol. I, 8th Edition (Reprint), Art. 232.—Article 4, Civil Service Regulations, governs the general rules of pension, but special powers of the Government of India have effect from the date of effect of relevant orders.

(*See* Section V, ruling 2, relating to Article 4, Civil Service Regulations.)

(Files No. 512-A. & A. of 1917 and No. 59-Code of 1927.)

(1)

C. A. C., Vol. I, Art. 232.—Where a proposal was submitted to the Secretary of State to pay enhanced remuneration to Registrars of Co-operative Societies generally and to one officer with retrospective effect, the latter proposal should not be taken as sanctioned when sanction to the general proposal only is received.

Terms of Reference.—In paragraph 4 of their Finance Department despatch No. 280, dated the 21st December 1918, the Government of India proposed to abolish the maximum limit of salary of Registrars of Co-operative Societies previously fixed at Rs. 2,250 a month. Mr. H————, I.C.S., the Registrar of a province, was eligible for Rs. 2,500 a month in the regular line with effect from the 19th February 1919. To mitigate his hardship the Government of India in their Finance Department telegram No. 376-E. A., dated the 29th April 1919, proposed to the Secretary of State to allow him to draw salary of his grade with effect from the 19th February 1919. In that telegram the Government of India also asked for advance orders on paragraph 4 of their despatch referred to above. The Secretary of State in his telegram dated the 28th May 1919 (received in India on the 5th June 1919) sanctioned the proposal in paragraph 4 of the Government of India despatch but made no reference to Mr. H————. The question for consideration is whether Mr. H————can be granted enhanced allowance with effect from the 19th February 1919 on the authority of the Secretary of State's telegram.

Comptroller General's decision.—In the absence of special orders a decision of the Secretary of State has no retrospective effect. I think Secretary of State must have overlooked this and I suggest that the orders be applied to Mr. H————retrospectively and the Secretary of State be told by Secretary's letter that the Government of India has assumed that he meant his orders to be applied with retrospective effect to the case of Mr. H————.

(A. R. Vol. VIII—28.) (Files No. 367-A. & A. of 1919 and No. 61-Code of 1927.)

(2)

C. A. C., Vol. I, Art. 232.—Ante-dating the effect of a sanction of the Secretary of State requires his sanction.

Terms of Reference.—In his despatch No. 14-Pub., dated the 8th January 1920, the Secretary of State sanctioned the proposals of the Government of India regarding the pay of Deputy Superintendents of Police promoted to the post of Superintendent. It is proposed to give effect to the sanction from the 1st January 1919, the date on which the new rates of pay for the Imperial Police were introduced. The question for decision is whether the proposal requires a reference to the Secretary of State.

Auditor General's decision.—The rates of pay which came into force on 1st January 1919 were those sanctioned by the Secretary of State in his telegram dated the 10th February 1919. Those rates did not apply to Deputy Superintendents promoted to Superintendents. Proposals regarding these officers were made in paragraph 6 of Government of India, Finance Department, despatch No. 213, dated the 18th June 1919, and were accepted by the Secretary of State in his despatch No. 14-Pub., dated the 8th January 1920. All the other rates of pay sanctioned in that despatch came into force on 1st January 1920, and no suggestion was made either to or by the Secretary State that effect should be given at an earlier date to the proposals regarding the pay of Deputy Superintendents promoted as Superintendents The adoption of such a course would, therefore, require the sanction of the Secretary of State.

(A R Vol. IX—5.) (Files No. 130-A. & A. of 1920 and No. 62-Code of 1927.)

(3)

C. A. C., Vol. I, 8th Edition (Reprint), Art. 232.—A reference to the Secretary of State is not necessary before postponing until the 1st April 1921 effect of his decision in his despatch dated 19th August 1920 that the Government House at Barrackpore should be transferred from the Imperial to the Provincial Government.

Terms of Reference.—The Government of India in Home Department despatch No. 3, dated the 15th April 1920, proposed that the Government House at Barrackpore should in future be treated as a Provincial Circuit House. The Secretary of State in his despatch No. 48-A. P. W., dated the 19th August 1920, sanctioned this proposal. The Bengal Government proposes that the formal transfer may take effect after the 28th February 1921 for the following reasons:—

(1) that provision exists in the Imperial Civil Works Budget for maintenance of the property up to the end of 1920-21;

(2) that no provision has been made for the maintenance of the house in the Provincial estimates for 1920-21; and

(3) that it would be more convenient if the responsibility of the Provincial Government commences from the 1st April 1921.

The question for consideration is whether a reference to the Secretary of State is necessary on the ground that the proposal involves a departure from the strict letter of the rule in Article 292,* Civil Account Code, Volume I.

Auditor General's decision.—A reference to the Secretary of State is not necessary but he should be informed by Secretary's letter of the date from which his orders are being given effect to.

(A. R Vol IX—65) (Files No 116-A & A of 1921 and No. 62-Code of 1927.)

* Article 292 was in the Seventh Edition (Reprint) of the Civil Account Code; the corresponding rule in the Eight Edition (Reprint) is 232

SECTION IX (b).—AUDIT RULINGS RELATING TO HIGH COURT JUDGES RULES.

(1)

High Court Judges Rules.—The service of a High Court Judge with a Royal Commission counts for leave and pension if the Government of India declare that the period was spent in the exercise of such functions as he was directed by them to discharge.

Terms of Reference.—Mr. Justice———— of the Madras High Court was appointed a member of the Public Services Commission, and the question for decision is, whether the period of duty performed by Mr ————with the Commission should count for leave and pension within the meaning of Article 543, Civil Service Regulations.

Comptroller General's decision.—If the Government of India require final decision on the question whether a command of the King Emperor must be held to be equivalent to a direction by the Governor General of India in Council, I am afraid I am not in a position to give the decision. This is a matter for discussion by the Legislative Department.

Possibly, however, all that is asked is whether I should enforce an audit objection taken to the inclusion of the service with the Commission as actual service under Article 543-1 (a), Civil Service Regulations. If the Governor General of India in Council were pleased to issue an order that for the purpose of this rule the time spent by Mr. Justice————upon the Commission may be regarded as spent in the performance of functions which he has been directed to discharge by the Governor General of India in Council, I should regard such an order as sufficient for audit purposes.

(A. D.—11—10.) (Files No. 148-A. & A. of 1913 and No. 51-Code of 1927.)

(2)

F. R. 89 & 90 & High Court Judges Rules.—Revision of rupee scales of leave allowances of High Court Judges cannot be made except under Royal Warrant, and that of Listed officers under the sanction of the Secretary of State.

Terms of Reference.—The Public Services Commission in paragraphs 81 and 83 of their report recommended that the maxima and minima rupee limits of leave allowances be fixed on an exchange value of 1*s.* 6*d.* to the rupee in the case of the following classes of officers:—

(1) Indian Civil Servants and Military officers under Civil

(2) other officers subject to the European Services leave rules; and

(3) officers subject to the Indian Services leave rules.

The Government of India in their telegram No. 1044-C. S. R., dated the 26th November 1918, proposed that the recommendation of the Commission might be given effect to at once. This proposal was approved by the Secretary of State in his telegram dated the 24th December 1918. The question for decision is whether the sanction of the Secretary of State is necessary—

(1) to the revision of the rupee limits of leave allowances (a), of High Court Judges, Article 543 (14) (b), of certain Law officers, Article 655 (12) and (c), of officers of the Provincial Civil Service holding listed appointments, Article 341 (a), Civil Service Regulations; and

(2) to the raising of the limit of £600 a year laid down in Article 341 (a), Civil Service Regulations, for officers of the Provincial Civil Service holding listed appointments to £800 a year.

Comptroller General's decision —The intention is apparently to include the High Court Judges (Article 543—Rule 14) and the Law officers (Article 655—Rule 12) also in the scope of the new orders, as there is apparently no reason why they should be excluded As they were not specifically mentioned, however, in paragraphs 81 and 83 of the Public Services Commission's Report and as the Government of India telegram No 1044-C S R of the 26th November 1918 to the Secretary of State asked for sanction to the introduction of rupee scales mentioned in paragraphs 81 and 83 of the Public Services Commission's Report, sanction of the Secretary of State is technically necessary to the extension of the concession to these officers.

In respect of the Law officers governed by Article 655, Rule 12 I am prepared in the exercise of my discretionary powers to waive a previous reference to the Secretary of State subject to a report being made to him at once.

Article 543 is, however, based on statutory rules and no alterations can be made therein except under Royal Warrant

With regard to Provincial Civil Service officers in "Listed" appointments [Article 341 (a), Civil Service Regulations] so long as the sterling maximum remains at £600 per annum, the rupees maximum should remain at Rs 666⅔ per month Any increase to the rupee maximum or to the sterling maximum or to both requires the previous sanction of the Secretary of State.

(A R. Vol. VIII—9) (Files No 41-A & A. of 1919 and No. 61-Code of 1927.)

SECTION IX (c).—AUDIT RULINGS RELATING TO THE PUBLIC WORKS CASES.

(1)

P. W. D. Code, 10th Edition, Paras. 264 & 266.—Audit is entitled to bring to the notice of the administrative officer of the Public Works Department, a deviation from sanctioned estimate due to over-sight and omissions, costing about Rs. 500, and to ask the administrative officer to send a copy of his order for the information of the audit.

Terms of Reference.—In the course of the construction of the Midnapore Collectorate in Bengal certain portions of the work were dismantled by the Executive Engineer at a cost of about Rs. 500 owing partly to a change of design and partly to an over-sight. The Accountant General, Bengal, asked the Executive Engineer to report the circumstances which rendered the dismantlement necessary to the Superintending Engineer under paragraph 329 (*d*), Public Works Department Code, Vol. I, 9th Edition and to furnish him (the Accountant General) with a copy of the Superintending Engineer's orders. The Executive Engineer contends that the rule in question is an executive one as distinguished from an Account rule, and is merely intended for the guidance of the Executive and Superintending Engineers, and that it does not require the orders of the Superintending Engineers to be furnished to the Accountant General. The Local Government has referred the matter for the orders of the Government of India. The Public Works Department Secretariat agree with the Executive Engineer's interpretation of the rule and consider that the Accountant General went beyond his province in asking the former to take action under the rule and furnish him (the Accountant General) with a copy of the Superintending Engineer's orders.

Comptroller General's decision.—Paragraphs 312 and 329 (*d*), Public Works Department Code, Vol. I, 9th Edition show that an Executive Engineer may not sanction any deviation from design during the execution of a work, unless it be trifling or in case of emergency. If the deviation is not trifling the change has to be reported to the Superintending Engineer. Paragraph 360, Public Works Department Code, Vol. I, 9th Edition states that an Audit officer may not call upon an Executive Engineer for an explanation except with regard to an irregularity which falls distinctly within a rule or an order which can be quoted, but it also says that he is expected to bring to the notice of the administrative officers of the department all transactions appearing in the accounts which seem in any way to indicate irregularity or want of attention to economical considerations.

It appears from the correspondence in this case that when the Accountant General addressed the Executive Engineer he was merely aware that there had been dismantlement which had cost about Rs. 500 Dismantlement must imply a deviation from sanctioned design, and a deviation costing Government Rs. 500 can hardly be said to be trifling. The deviation then required to be brought to the notice of the Superintending Engineer, and apparently this is not denied

The action then of the Audit officer in addressing the Executive Engineer was correct He was justified in making enquiries, but I think that his letter might have been worded differently and that he might have adopted a slightly different procedure. The dismantlement was a transaction appearing in the accounts which might indicate irregularity (want of proper report) or want of attention to economical considerations Therefore it might be necessary for the Audit officer to act under paragraph 360, Public Works Department Code, Vol I, 9th Edition But it would never do for Audit officers to report such cases to superior authority without some enquiry to ascertain the details so as to determine whether a report should be made or not I think then that the Audit officer should have pointed out that the dismantlement appeared to be beyond the powers of the Executive Engineer without report to the Superintending Engineer (paragraphs 312 and 329 *(d)*, Public Works Department Code, Vol I, 9th Edition) and have asked (1) for a statement of the circumstances rendering the dismantlement necessary, and (2) whether they had been reported to the Superintending Engineer I do not think it was necessary for him to ask the Executive Engineer for a copy of the Superintending Engineer's orders. The reply to that letter would have indicated, what is apparent from the reply which the Audit officer received, that the dismantlement was due to change of design necessitated partly by an order of the Collector and partly by oversight and omissions in the detailed estimate, of which the Superintending Engineer was aware. According to the details with which I have been furnished the former accounted for Rs. 107 and the latter for Rs. 409. Oversight and omissions in the detailed estimate indicates " want of attention to economical considerations ", and this under paragraph 360, Public Works Department Code, Vol. I, 9th Edition should have been reported by the Audit officer to the Administrative Officer (in this case the Superintending Engineer would have been sufficient), and he could then have asked the Superintending Engineer, if he thought necessary, for a copy of any orders which he might pass in the matter.

The Accountant General after obtaining a reply from the Executive Engineer addressed the Local Government direct. In that communication he made no mention of paragraph 360, Public Works Department Code, Vol. I, 9th Edition although he has informed me that he had this paragraph in mind throughout the case.

If he had done so, the Local Government might have received the matter in a different light.

(A. D —II—18) (Files No. 166-A. & A. of 1913 and No 51-Code of 1927.)

P. W. D. Code, 10th Edition, Para. 266.—Audit is entitled to bring to the notice of the administrative officers of the Public Works Department deviation from sanctioned estimate due to oversight and omission costing about Rs. 500 and to ask the administrative officer to send a copy of his order for the information of the audit.

[*See* Section IX (c) ruling 1 relating to paragraph 264, Public Works Department Code, 10th Edition]

(Files No. 166-A & A of 1913 and No. 51-Code of 1927.)

P. W. D. Code, 10th Edition, Para. 287.—The original sanctioning authority need not sanction a supplementary estimate if such sanction is within the competence of a lower authority.

[*See* Section II (a) ruling 24 relating to N. A. R. (Central) Rule 1 (6)]

(A R. Vol. X—31.) (Files No. 20-A. of 1922 and No. 63-Code of 1927.)

(2)

P. W. D. Code, 10th Edition, Paras. 397-98.—A Local Government is competent to transfer ascertained savings from a provision for " unforeseen items " to other heads of an estimate sanctioned by the Secretary of State.

Terms of Reference.—The Secretary of State sanctioned the original estimate for a canal project in which Rs. 255 lakhs were provided for " unforeseen items " Out of this sum Rs. 125 lakhs represented extra provision for Steel and Iron work and 130 lakhs for plant. The Local Government subsequently sanctioned a revised estimate by the transfer of ascertained savings under certain heads to others in which extra cost was anticipated. The question for consideration is whether in sanctioning the revised estimate it was open to Local Government to utilize any portion of the amount entered under " unforeseen items " for purposes other than those connected with increased expenditure on Steel and Iron work or on plant.

Auditor General's decision.—Under paragraphs 397 and 398 of the Public Works Department Code the Local Government is competent to transfer anticipated savings from one main head (distributories excepted) to another. The Local Government might (subject to the exception indicated) have sanctioned the transfer in question if the sum of Rs. 255 lakhs had been included in any main head or spread out over various main heads instead of being specifically

provided as separate item " Unforeseen Charges ". In the circumstances the sanction of the Secretary of State is unnecessary nor is it requisite that on financial grounds even a report need be made.

(A R Vol XIII—16) (Files No. 411-A. of 1925 and 66-Code of 1927.)

(3)

[illegible]
tha[illegible]
the [illegible]
Ordinary Demands.

Terms of Reference.—In paragraph 4 of their despatch No. 21-Army, dated the 13th February 1913, making certain proposals for the installation of electric lights and punkhas in the barracks of British troops, the Government of India informed the Secretary of State that extensions and smaller works costing less than Rs. 50,000, connected with such installations, would be financed through the schedule. The Secretary of State sanctioned these proposals in his despatch No. 61-Military, dated the 23rd May 1913. The question for decision is whether the expenditure incurred on the provision of extra lights and fans in the station Hospital at Delhi, estimated to cost Rs. 1,561, on additions and alterations to the electric installations in Queen's Barracks, Fort William, estimated to cost Rs. 2,000, and on other works of a similar nature sanctioned since September 1914, may be debited to 47—Military Works,* Ordinary Demands. The Examiner, Military Works, is of opinion that the above and other similar works should form part of the various projects for the installation of electric lights and fans in the Barracks of British troops and should be financed through the schedule. The question for decision is whether the view of the Examiner is correct.

Comptroller General's decision.—In paragraph 4 of their despatch No. 21, dated the 13th February 1913, the Government of India expressly stated that extensions and similar works, costing less than Rs. 50,000, would be financed through the schedule with a view to keeping together the whole of the expenditure. In the circumstances, the view of the Examiner, Military Works, is correct.

(A. R. Vol. IV—31.) (Files No. 189-A. & A. of 1916 and No. 57-Code of 1927.)

(4)

Miscellaneous.—The Government of India may allow the State Engineer, Kashmir, to exercise the powers of a Superintending Engineer, in regard to Public Works in the Gilgit Agency.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to allow the State

* The corresponding head is now " 50—Military Works," *vide* Appendix 7 to the Audit Code

Engineer, Kashmir, to exercise the powers of a Superintending Engineer under paragraph 283, Public Works Department Code, Volume I, 9th Edition in the matter of according technical sanction to Imperial Works in the Gilgit Agency up to a limit of Rs. 1,000.

Comptroller General's decision.—The Government of India can exercise any powers conferred on Local Governments, and they can therefore delegate powers to a Superintending Engineer under paragraph 283, Public Works Department Code, Volume I, 9th Edition. In this case, although the State Engineer is not a regular Superintending Engineer holding a Government post, the sanction of the Secretary of State is not necessary, as the State Engineer has long been recognised as exercising the functions of a Superintending Engineer in regard to Public Works in the Gilgit Agency.

(A. R Vol V—11) (Files No. 531-A. & A of 1916 and No. 58-Code of 1927.)

(5)

Miscellaneous.—A proposal to abolish the levy of departmental charges on military works due to Lord Kitchener's reorganisation and re-distribution schemes required the sanction of the Secretary of State.

Terms of Reference.—The question for decision is whether the sanction of the Secretary of State is necessary to the abolition of the levy of percentage charges on account of establishment, tools and plant on works, necessitated by Lord Kitchener's schemes for reorganization and re-distribution of the Army.

Comptroller General's decision.—In paragraph 2 of his despatch No. 128 (Mily.), dated the 29th October 1909, the Secretary of State regretted his inability to accept the third of the proposals put before him in the Government of India, Finance Department, despatch No. 23-M. F., dated the 1st July 1909, *viz* , " That the practice of adding a percentage on account of establishment, tools and plant to the amounts provided in the annual schedule for Military Works due to the re-organization and re-distribution schemes should be discontinued." In paragraph 3 of the same despatch, he explained his reasons for refusing to accept the proposal, *viz.*, " It (the present system) has the important advantage that the cost of proposed new buildings under the re-distribution scheme is shown with greater accuracy." I am of opinion, therefore, that the sanction of the Secretary of State is necessary.

(A. R. Vol. VII—12.) (Files No. 439-A. & A. of 1918 and No. 160-Code of 1927.)

SECTION IX (d).—AUDIT RULINGS RELATING TO THE AUDIT CODE.

(1)

Audit Code, Art. 183 (2).—Leave allowance of the staff of the Coal Controller, recruited from Companies' Railways, may be charged to the Companies and to the Government under the Rule of Proportions.

Terms of Reference.—It is proposed that the staff of the Coal Controller, recruited from Companies' Railways, should be allowed to remain subject to their own leave rules. The question for decision is —

how the leave allowances should be charged.

The Government of India propose to apply the rule of proportions.

Comptroller General's decision —The proposal to apply the rule of proportions seems appropriate. But the question as to the periods of service to be taken into account for this purpose requires consideration, as those laid down in Article 900, Civil Service Regulations, will not apply, if the Railway leave rules differ from Government leave rules.

(A R Vol. VII—3) (Files No 196-A & A. of 1918 and No 60-Code of 1927.)

INDEX.

Page 245, Index—

Insert the following as a new item under the catch-word "Abeyance":—

"Holding in—for one year of the post of Deputy Director of Programme in the office of the Railway Board. ....VII-22".

(Compilation of Audit Rulings, No. 11, dated 2nd November 1929.)

Page 247, Index—

Insert the following under the new catch-word " Cemeteries " :—

" Cemeteries.—Propriety or otherwise of expenditure on Com- munal—in New Delhi......................III-14A ".

(Compilation of Audit Rulings, No. 14, dated 2nd November 1929.)

Page 247, Index—

Delete the following entry with the catch-word " Commission—" :—

" Commission—Appointment to a—on a fee working out to more than Rs. 4,000 a month..... ....II (a)-16 ".

(Compilation of Audit Rulings, No. 18, dated 2nd November 1929.)

Page 249, Index—

Insert the following as a last item under the letter "D":—

"Deputy Director of Programme.—Holding in abeyance for one year of the post of—in the office of the Railway Board .... VII—22".

(Compilation of Audit Rulings, No. 12, dated 2nd November 1929.)

E

G

N

O

Page 259, Index—

Insert the following as a new item under the catch-word "Provincial Police"—

"*Regulation of the pay of an officer of a*—Service officiating in a post borne on the cadre of the Indian Police Service on resumption of the officiating appointment after leave . . . . VII—23."

(Compilation of Audit Rulings, No. 22, dated 18th January 1930.)

Q

Section

Page 260, Index—

Insert the following as a second item under the letter "R":—

"Railway Board.—Holding in abeyance for one year of the post of Deputy Director of Programme in the office of the—.............. VII-22".

(Compilation of Audit Rulings, No. 13, dated 2nd November 1929.)

* *See* also under "Unusual Expenditure".

Section

T

Page 264, Index—

Delete the following entry under the catch-word "Temporary post—":—

"—of an additional Judge of a High Court ....I-9".

(Compilation of Audit Rulings, No. 17, dated 2nd November 1939.)

Page 264, Index—

Insert the following under the catch-word "Temporary post" as a fresh item:—

"Creation of a—on a rate of pay exceeding Rs. 1,200 for three years when the pay is divisible between a Civil Department and State Railways......... ....II (a)—52".

(Compilation of Audit Rulings, No. 10, dated 2nd November 1929)

U

* *See* also under "Recognised Policy".

MGIPC—I VIII-2-146—30-10-28—5,500

Corrections to the Compilation of Audit Rulings.

No. 10.

Page 264, Index—

Insert the following under the catch-word "Temporary post" as a fresh item:—

"Creation of a—on a rate of pay exceeding Rs. 1,200 for three years when the pay is divisible between a Civil Department and State Railways.. .. .. II (a)—52".

(Compilation of Audit Rulings, No. 10, dat 2nd November 1929.)

No. 11.

Page 245, Index—

Insert the following as a new item under the catch-word "Abeyance":—

"Holding in—for one year of the post of Deputy Director of Programme in the office of the Railway Board .... .. .VII-22".

(Compilation of Audit Rulings, No. 11, dated 2nd November 1929.)

No. 12

Page 249, Index—

Insert the following as a last item under the letter "D":

"Deputy Director of Programme.—Holding in abeyance for one year of the post of—in the office of the Railway Board..... .... . .VII—22".

(Compilation of Audit Rulings, No. 12, dated 2nd November 1929.)

No. 13.

Page 260, Index—

Insert the following as a second item under the letter "R":—

"Railway Board.—Holding in abeyance for one year of the post of Deputy Director of Programme in the office of the—... .... VII-22".

(Compilation of Audit Rulings, No 13, dated 2nd November 1929.)

Corrections to the Compilation of Audit Rulings.

No. 10.

Page 264, Index—

Insert the following under the catch-word "Temporary post" as a fresh item:—

"Creation of a—on a rate of pay exceeding Rs. 1,200 for three years when the pay is divisible between a Civil Department and State Railways... .... II (*a*)—52".

(Compilation of Audit Rulings, No. 10, dat 2nd November 1929.)

No. 11.

Page 245, Index—

Insert the following as a new ite[illegible] the catch-wo[illegible] "Abeyance":—

"Holding in - for one year of the post of Dy. Director of Programme in the office of the Railway Board ... .. VII-22".

(Compilation of Audit Rulings, No. 11, dated 2nd Nove[illegible] 1929.)

No. 12

Page 249, Index—

Insert the following as a last item under the letter "D":

"Deputy Director of Programme—Holding in abeya[illegible] year of the post of—in the office of the Railway Board..... ... .. VII—22".

(Compilation of Audit Rulings, No. 12, dated 2nd November 1929.)

No. 13

Page 260, Index—

Insert the following as a second item under the letter "R":—

"Railway Board—Holding in abeyance for one year of th post of Deputy Director of Programme in the office of the—........ VII-22".

(Compilation of Audit Rulings, No. 13, dated 2nd November 1929.)

Corrections to the Compilation of Audit Rulings.

No. 1.

Page 47—

Insert the following as Audit Ruling No. 52 in Section II (*a*) under the heading "Miscellaneous—Rule XI of the Rules defining the powers of the Governor General in Council in Railway matters":—

The power of the Government of India to create a temporary post, on a rate of pay exceeding Rs. 1,200 for three years, when the pay is divisible between a Civil Department and State Railways.

Terms of Reference.—The Government of India, Railway Department, created a temporary post of a Technical Officer on Rs. 2,200 per mensem for a period of one year with effect from the 15th September 1925. The period was subsequently extended from the 1st April 1926 to 30th June 1927 and the pay of the post was revised so as to carry the rank and pay of a Superintending Engineer with a special pay of Rs 250. The pay of the post is divisible between the Civil Department and the State Railways in the ratio of one to two. The Government of India now propose to extend the period on the same terms further up to the 14th September 1928 As this will have the effect of extending beyond two years the tenure of the temporary post of which the pay exceeds Rs. 1,200 per mensem, the question is raised whether under Rule XI of the Rules defining the powers of the Governor General in Council in railway matters, that authority is empowered to accord the proposed sanction in this case.

Auditor General's decision.—I should hold in audit that Rule XI of the Rules defining the powers of the Governor General in Council in railway matters applies when the cost of the post is to be met solely from railway revenues. Therefore the sanction of the Secretary of State in Council is necessary.

(Compilation of Audit Rulings, No. 1, dated 1st October 1929.)

No 2.

Page 225—

Insert the following as a new Audit Ruling No. 22 in Section VII—Miscellaneous Questions affecting conditions of service of Government servants:—

Holding in abeyance for one year the post of the Deputy Director of Programme in the Office of the Railway Board.

Terms of Reference—The Government of India deci[illegible] old in abeyance the post of the Deputy Director, Programme, i[illegible] of

Correction to the Compilation of Audit Rulings.

No. 19.

Table of Contents—

Delete the column "Reference to Serial Number of Rulings" in the Table of Contents.

(Compilation of Audit Rulings No. 19, dated 2nd December 1929.)

OFFICE OF THE AUDITOR-GENERAL IN INDIA, NEW DELHI;
Dated the 2nd December 1929.

E. BURDON,
Auditor-General.

MGIPC—83—IV-10-106—21-2-30—5,500.

Corrections to the Compilation of Audit Rulings.

No. 20.

Page 226, Section VII—

Insert the following as a new audit ruling :—

(23)

" the pay of an officer of a Provincial
t borne on the cadre of the Indian
of the officiating appointment after
leave.

Terms of reference.—An officer of a Provincial Police Service was appointed on the 21st January 1925 to officiate in a post borne on the cadre of the Indian Police Service. He officiated continuously after that date, except for a period of 15 days, from the 5th to the 19th January 1928, when he went on leave. He returned to duty in his officiating appointment after the expiry of his leave. It was held by the Accountant General of the province that the officer reverted to his substantive post of Deputy Superintendent of Police in the Provincial Police Service under F. R. 26 (*b*) and that his re-appointment as District Superintendent of Police after leave was a fresh promotion for the purposes of rule 2 of the revised rules for the regulation of the pay of officers promoted from the Provincial Police Services to the Indian Police Service, promulgated with the Resolution of the Government of India in the Home Department, No. F-113--111—24—Police, dated the 19th March 1928, under rule 5 *ibid.* The question referred to the Auditor General was whether F. R. 21 barred the application of F. R. 26 (*b*) in such a case

Auditor General's decision—The revised rules under interpretation are, to all intents and purposes, self-contained and therefore F. R. 21 does bar the application to this case of F. R. 26 (*b*). A resumption of an officiating appointment after leave is not a fresh "occasion of promotion" for the purposes of rule 2. The promotion once given may fairly be held to subsist during leave, inspite of a merely technical "reversion", if the officer returns to the post, without interval, on the expiry of his leave.

(Compilation of Audit Rulings, No. 20, dated 18th January 1930.)

No. 21.

Page 253, Index—

Insert the following as a new item under the letter "I" :—

officer of a P
cadre of I

(Compilation of Audit Rulings, No. 21, dated 18

Corrections to the Compilation of Audit Rulings.

No. 20.

Page 226, Section VII—

Insert the following as a new audit ruling :—

(23)

Miscellaneous.—Regulation of the pay of an officer of a Provincial Police Service *officiating in a post borne on the cadre of the Indian* Police Service—on resumption of the officiating appointment after leave.

Terms of reference.—An officer of a Provincial Police Service was appointed on the 21st January 1925 to officiate in a post borne on the cadre of the Indian Police Service. He officiated continuously after that date, except for a period of 15 days, from the 5th to the 19th January 1928, when he went on leave. He returned to duty in his officiating appointment after the expiry of his leave It was held by the Accountant General of the province that the officer reverted to his substantive post of Deputy Superintendent of Police in the Provincial Police Service under F. R. 26 (*b*) and that his re-appointment as District Superintendent of Police after leave was a fresh promotion for the purposes of rule 2 of the revised rules for the regulation of the pay of officers promoted from the Provincial Police Services to the Indian Police Service, promulgated with the Resolution of the Government of India in the Home Department, No F.-113—111—24—Police, dated the 19th March 1928, under rule 5 *ibid* The question referred to the Auditor General was whether F. R. 21 barred the application of F. R. 26 (*b*) in such a case.

Auditor General's decision—The revised rules under interpretation are, to all intents and purposes, self-contained and therefore F. R. 21 [illegible] mption of an [illegible] of promo- [illegible] may fairly be held to subsist during leave, inspite of a merely technical "reversion", if the officer returns to the post, without interval, on the expiry of his leave.

(Compilation of Audit Rulings, No. 20, dated 18th January 1930.)

No. 21.

Page 253, Index—

Insert the following as a new item under the letter "I" :—

"*Indian Police Service.*—Regulation of the pay of an officer of a Provincial Police Service officiating in a post borne on the cadre of the— on resumption of the officiating appointment after leave . VII—23."

(Compilation of Audit Rulings, No. 21, dated 18th January 1930.)

No. 22.

Page 259, Index—

Insert the following as a new item under the catch-word "Provincial Police":—

"*Regulation of the pay of an officer of a*—Service officiating in a post borne on the cadre of the Indian Police Service on resumption of the officiating appointment after leave . . . . VII—23."

(Compilation of Audit Rulings, No. 22, dated 18th January 1930.)

OFFICE OF THE AUDITOR GENERAL IN INDIA,
NEW DELHI;
Dated 18th January 1930.

E. BURDON,
Auditor General.

GIPC—S-3—IV—10—111—21-3-30—5,500.